JUL 1 3 1985

A 93.29/2-10:985

COMPLETED

United States Department of Agriculture

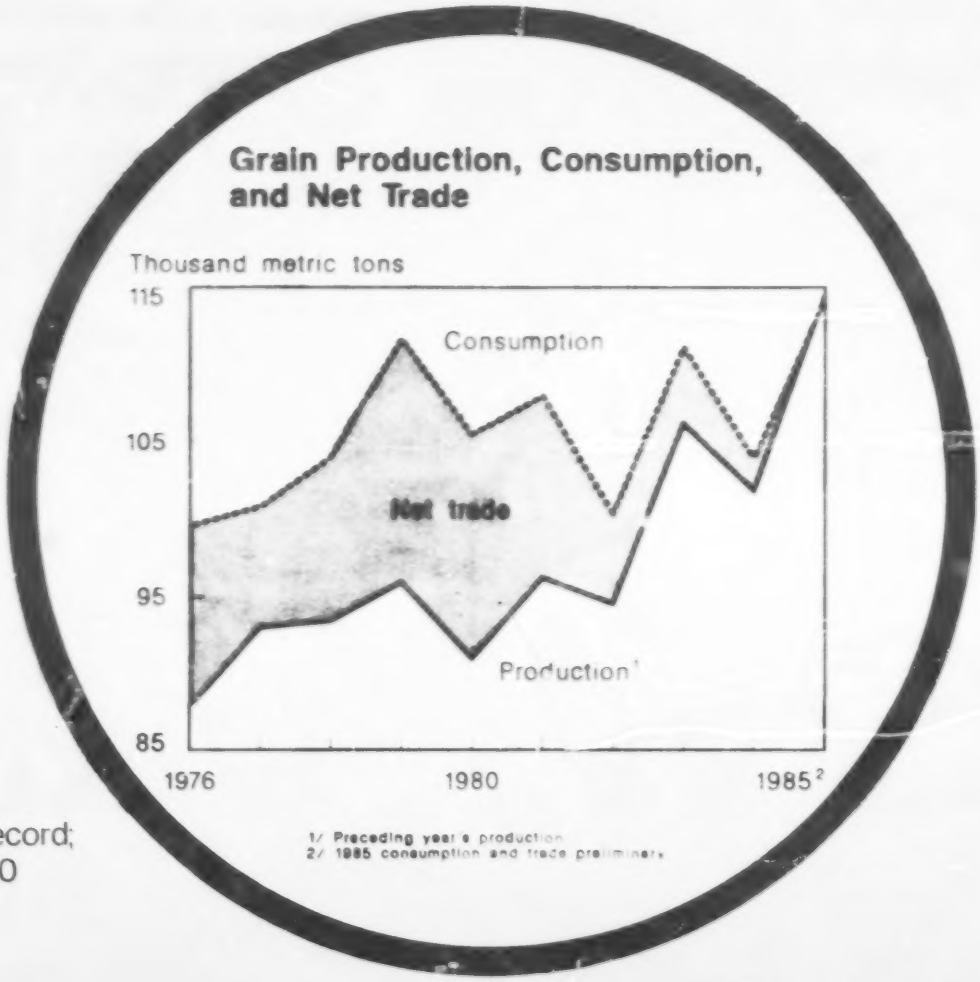
Economic Research Service

RS-85-7
June 1985

Eastern Europe

Outlook and Situation Report

ORIGINAL



Grain production a record; imports plummet, p. 10

BEST COPY AVAILABLE

CONTENTS

Page	
4	**Agriculture and the Economy**
5	**Agricultural Policy**
7	**Investment and Inputs**
10	**Grain and Feed**
12	**Oilseeds and Products**
14	**Other Crops**
15	**Livestock**
16	**Foreign Trade and Finance**
18	**U.S. Agricultural Trade**
21	**Outlook**
	Special Article
23	Eastern Europe Steps Up Food Exports to the Soviet Union
28	**Explanatory Notes**
28	**List of Tables**

Situation Coordinator
Robert Cummings (202) 475-3827

Principal Contributors
Nancy Cochrane
Robert Cummings
Carolyn Duff (Statistical)
Christian J. Foster

International Economics Division, Economic Research Service
U.S. Department of Agriculture, Washington, D.C. 20250

Approved by the World Agricultural Outlook Board. Summary released May 28, 1985.

The *Eastern Europe Outlook and Situation Report* is one of a series of 11 regional reports published by the Economic Research Service. Other titles in the series are: Soviet Union, Western Europe, Latin America, China, East Asia, South Asia, Southeast Asia, North America and Oceania, Middle East and North Africa, and Sub-Saharan Africa. Annual subscriptions and single copies are available from the Superintendent of Documents, U.S. Government Printing Office (GPO), Washington, D.C. 20402. For ordering and pricing information, call the GPO order desk at (202) 783-3228.

Summaries of each report are available on several electronic information systems. For details, call (402) 472-1892 or (301) 588-1572. Full reports, including tables, are provided by the system on (402) 472-1982.

A subscriber to the regional report series receives only one renewal notice from GPO approximately 90 days before the subscription expires. The renewal form should be returned promptly to ensure uninterrupted service.

BEST COPY AVAILABLE

SUMMARY

Economic conditions in Eastern Europe last year continued to recover from the downturn in the early 1980's. National income rose approximately 5 percent from 1983, exceeding plans in all countries except Yugoslavia. Both agricultural and industrial output increased. Income and consumption likely benefited from 1984's good economic performance. However, Poland, Romania, and Yugoslavia were still burdened with serious economic problems.

Agricultural policy continued to focus on self-sufficiency, increased crop production to reduce costly feed imports, larger hard currency exports, and increased production efficiency. While meaningful economic reform remained blocked in Poland, the German Democratic Republic (GDR) apparently moved in the direction of Bulgaria and Hungary by loosening central control of farm management. Eastern Europe's increased concern for farm profitability led to higher producer prices, but these were offset by reduced subsidies from central Governments and higher producer costs. Retail food prices generally rose throughout the region.

Investment in agriculture increased in Bulgaria, Czechoslovakia, Poland, and Romania, but declined in the GDR, Hungary, and Yugoslavia. The share of agriculture in total investment remained fairly steady, ranging from about 5 percent in Yugoslavia to nearly 20 in Poland, Romania, and Czechoslovakia. Although fertilizer use rose by 4 percent, inadequate supplies of imported pesticides, primarily due to hard currency constraints, continued to trouble agriculture. After unprecedented drought in 1983/84, land reclamation and irrigation programs received greater attention.

Record 1984 grain production in Eastern Europe, estimated at 114 million tons, was 13 percent greater than in 1983 and represented the third consecutive harvest above 100 million tons. Higher wheat production, up 18 percent, and coarse grain output, up 10 percent, accounted for the largest harvest ever in the region. Total feed supplies in Eastern Europe were much improved over the previous year. Grain imports fell by about one-fourth, and exports were just slightly above 1983's level.

Total oilseed production last year rose 23 percent, with increases in all three major crops--soybeans, sunflowerseed, and rapeseed. Last year apparently marked a recovery in the consumption of oilmeal, up about 6 percent from 1983. Potato production rose 16 percent in 1984, the best crop since 1981, and sugar beet output set a record for the region, topping 50 million tons.

Livestock numbers remained virtually unchanged in 1984. Total meat output, however, rose more than 2 percent to 12 million tons, with every country reporting an increase except Poland. Market supplies of livestock products remained stable or improved slightly, except in Poland and Romania. While the region's meat imports likely rose last year, Eastern Europe remained a net exporter of approximately 550,000 tons of meat.

Foreign trade balances improved last year in most countries and were in surplus everywhere except Yugoslavia. Most countries managed to increase hard currency reserves and continued to pay off debts, while Yugoslavia and Poland worked towards rescheduling much of their maturing debt. Moreover, the improved financial situation in Eastern Europe opened doors to new loans for some countries, notably the GDR and Hungary.

Direct U.S. agricultural exports were down 10 percent in value from 1983, and total exports fell 13 percent. The share of agricultural products in total exports, at 58 percent, was nearly the same as in 1983. The decline in U.S. agricultural exports was largely the result of a 21-percent drop in the value of grain exports. The export value of soybeans, however, was up 26 percent from 1983.

The outlook for growth in the agricultural sector this year is modest compared with the bumper year in 1984. Most countries intend to concentrate on crop production, with little or no growth planned in their livestock sectors. Very little increase is planned in agricultural investment or machinery.

BEST COPY AVAILABLE

AGRICULTURE AND THE ECONOMY

Eastern Europe's economy in 1984 continued to recover from the downturn of the early 1980's. National income was up approximately 5 percent from 1983's level, and performance exceeded plan targets in all countries except Yugoslavia, which fell short of its target. The German Democratic Republic (GDR), Poland, and Romania reported the largest increases. Improvements in labor productivity and more efficient use of fuel and other inputs accounted for nearly all the growth in national income, because policies stressing reduced input use, slower investment growth, and expanded exports continued.

Per capita real income and retail food supplies improved in most countries. Nevertheless, the Polish and, probably, Romanian economies are still performing below levels of the late 1970's.

Growth Reported Throughout Economy

Both agricultural and industrial output increased. Spurred by record grain production, farm output exceeded the plan in every country except Yugoslavia, and gross agricultural production in the region was an estimated 6 percent higher than in 1983. Better use of irrigation facilities and production technology, plus the introduction of new seed varieties and hybrids apparently compensated for periodic drought in several countries. Industrial production was above plan in every country, with reported growth ranging from 3 percent in Hungary to 7 percent in Romania.

Governments were still unable to control investment growth, however. Investment exceeded the plan in Czechoslovakia, Poland, and Romania, and the decline in outlays was less than planned in the GDR and Hungary. While the rise in national income probably has made reining in investment more difficult, officials have remained committed to restricting investment in order to maximize current exports.

Most countries reported faster growth in imports than exports, but trade balances were nevertheless generally positive. The foreign debt of every country except Poland declined. Every plan fulfillment report emphasized the size, necessity, and importance of trade ties with the Council for Mutual Economic Assistance (CEMA) nations, particularly the Soviet Union. This emphasis is a response to Soviet insistence that the countries of Eastern Europe improve their negative balances with the USSR. (The special article at the end of this report discusses the recent growth of East European agricultural exports to the USSR.)

Income Up; Food Supplies Better

The income and consumption levels of East Europeans likely benefited from 1984's good performance. Although data are incomplete, per capita real income rose more than planned in several countries.

Food supplies were generally improved last year, except in Romania. Higher retail prices and overall good farm output kept food markets in equilibrium. In Poland, meat, butter, flour, and egg supplies increased, but those of animal fats, milk, and sugar were slightly lower. Despite this partial improvement, market supplies of meat and meat products, animal fats, and wheat flour remained 10 to 35 percent below levels in 1979.

Continued improvement is expected in Poland this year, except for meat. Rationing of flour and cereal products ended in March 1985, and butter and sugar may be off ration by year's end. Meat rationing will continue, however, at least until 1986.

In Romania, high farm exports and coercive policies toward private production and marketing produced another year of rationing and severe shortages. Prospects remain bleak because planned marketings of many foods during January through September 1985 are proportionally less than those during the last quarter of 1984.

Acute Problems in Several Countries

Despite the overall good economic performance, several countries confront serious problems. The Polish economy has not reached the output of the pre-Solidarity Union days. Compared with 1979, 1984's national income was 12 percent lower, and investment outlays on fixed assets were down 47 percent. Romania still suffers from severe economic dislocation, including short supplies of consumer goods and energy. Inflation and

BEST COPY AVAILABLE

Principal plan indicators, Eastern Europe, 1984 and 1985

Item	Bulgaria	Czecho-slovakia	GDR	Hungary	Poland	Romania	Yugo-slavia
			Percent change				
National income							
1984 plan	3.8	3	4.4	1.5-2	2.6	7.3	2
1984 actual	4.6	3.2	5.5	2.8-3	5	7.7	1.7
1985 plan	4.1	3.2	4.3	2.3-2.8	3-3.5	10	2.5
Industrial production 1/							
1984 plan	5	2.9	3.6	1.5-2	4.5	6.7	3
1984 actual	4.5	3.8	4.2	3	5.3	7	5.5
1985 plan	5.2	3	3.8	3	4-4.5	7.5	4
Agricultural production							
1984 plan	3.1	0	.6	3-4	1.3-2	5.4-6	2
1984 actual	6.8	3.6	(4.5)	2.5-3	5.7	13.3	1.3
1985 plan	3.2	0	.8	1	-.8-1.4	6-6.8	2.5
Capital investment 1/							
1984 plan	1.9	0	(-8)	-10	-2.8	4	-10
1984 actual	-.7	4.7	(-5)	-1	6.1	6.1	NA
1985 plan	8	9.5	0	0	0	8.3	(0)
Per capita real income							
1984 plan	2.5	NA	2.2	0	1-2	NA	NA
1984 actual	2.7	1.6	3.9	1	(1)	NA	-8.5
1985 plan	3	NA	4	1.5-2	(0)	NA	NA

NA = Not available. () = Estimate. 1/ Socialized sector only.

Source: State plan and plan fulfillment reports in numerous publications.

burdensome debt-servicing requirements are hampering recovery efforts in Yugoslavia. Inflation there last year was 53 percent, and this contributed greatly to a 9-percent drop in per capita real income for the first 9 months of 1984. Price rises were also significant in Poland, 15 to 17 percent, and in Hungary, approximately 7 percent. (*Robert Cummings*)

AGRICULTURAL POLICY

The main policy goals of Eastern Europe are still higher levels of agricultural self-sufficiency (or higher exports for the southern countries) and increased production efficiency. Reduced input availability and operating subsidies have increased the importance of producer prices and profitability in stimulating agricultural output. Officials have responded with higher producer prices, plus increases in retail prices to curb demand. Production costs are continuing to rise, however, and profitability should suffer this year.

Changes in farm organization and management continue as planners seek to improve efficiency within the existing system of socialized agriculture. However, Governments remain ambivalent toward the private sector. In Poland, where private agriculture predominates, official attitudes toward private farmers have improved little, despite the Government's approval of a private Polish foundation--the first of its kind in post-war Eastern Europe--to aid these farmers.

Self-Sufficiency, Crop Production Stressed

All countries seek agricultural self-sufficiency or surplus production in order to reduce costly agricultural imports and expand exports, preferably in hard currency markets. Self-sufficiency for most of the region means balancing imports of grain, oilseeds, and oilseed products with processed food exports. Crop production will again be stressed this year, while livestock production will increase more slowly. Livestock's growth rate in the southern countries will also be influenced by foreign demand for these countries' live animal and meat exports.

BEST COPY AVAILABLE

Officials are also turning their attention to improvements in infrastructure and farm management. Bulgaria plans expansion of fertilizer storage and transportation facilities to reduce the growing losses that have accompanied increased fertilizer use. In Poland, where the adequacy of food supplies is an important determinant of political stability, the food industry is slated for extensive modernization. The GDR, Hungary, and Poland all plan expansion of grain storage capacity.

Reform Efforts Mixed

The GDR has apparently moved in the direction of Bulgaria and Hungary by loosening central control of farm management. Beginning this year, authority for the day-to-day running of state and collective farms will shift gradually from the Ministry of Agriculture to local associations of farms. GDR officials hope that farm efficiency will improve and dependence on financial support from Berlin will decrease with more local responsibility.

In Hungary, the Government is continuing its efforts to attract capital for farm investment from outside of the traditional central credit and bank structure. In January 1984, the Nadudvar grain production association--a collection of 400 farms--and the Hungarian Foreign Trade Bank issued interest bearing bonds valued at 180 million forints (50 forints = $1) to fund machinery purchases for expanded production. This bond issue--a first for agriculture--follows similar, successful issues for the telephone and natural gas industries. Nadudvar officials claim this form of credit is cheaper than traditional bank borrowing, which has become harder to obtain because of restrictions on investment funding from the central Government.

Meaningful economic reform in Poland, however, remains blocked by the country's still unsettled political and economic situation. The central plan for 1985 again relies heavily on so-called government orders covering key sectors or projects in the economy. These orders give central planners authority to allocate resources and assign production targets similar to traditional East European practices, but counter to the spirit of Poland's reform effort.

Support for Polish Private Farmers Uncertain

There are signs that the Polish Government's position on the private farm sector is wavering. Following the 1982 approval of a constitutional amendment guaranteeing equal treatment by the Government to private farming compared with socialized agriculture, the Government approved in 1984 the establishment of a private foundation to aid these farmers. The foundation is an initiative of the Polish Catholic Church, and its approval by the Government is a post-war first. The foundation would solicit donations in the West and then channel this aid, independent of the Polish Government, to private farmers. The United States Government has earmarked a $10 million donation to an initial pilot phase to test the viability of the foundation.

However, official Polish support has dropped considerably as estimates of foreign donations to the foundation have fallen. Currently, negotiations between the Government and foundation officials continue over technical issues, and actual disbursement of the U.S. contribution and operation of the foundation has been held up pending the outcome of these talks.

Criticism of the private farm sector also appears to be growing. Officials frequently cite the inefficient structure and size of private holdings when listing the reasons for food shortages. Additionally, some officials have become more vocal in their support for expanding socialized agriculture. The Soviet agricultural daily *Selskaya zhizn* , in February 1985, carried an article by the Director of the Agricultural Policy Institute of the Polish Academy of Sciences which stated that "the future of agriculture in Poland is in its socialist form."

Costs Rise; Profitability Threatened

As cost accounting and financial autonomy have become more important, farm profitability is now a key concern of officials. Reduced central government subsidies and higher energy and other raw material prices have resulted in sharply rising production costs that have not been completely matched by higher producer prices.

In Hungary, farm costs should rise 4 to 5 percent this year because of higher fertilizer,

 BEST COPY AVAILABLE

herbicide, and machinery expenses. Prices paid to producers will also rise, but not enough to offset the rise in costs. Farms will have to rely on income from ancillary activities (food processing and light industry) to maintain profitability.

The financial situation is particularly severe in Poland. Last year, the prices paid to farmers covered just slightly more than 90 percent of costs, and rural income as a percent of urban income is expected to drop from 90 percent in 1984 to 80 percent this year. Prices for farm machinery, chemicals, and energy will rise this year, as will taxes with the introduction of a new land tax.

Producer prices were increased in nearly every country last year and will be so again in 1985. The increases were largest in the GDR, where a major agricultural price reform boosted the prices paid for grain, potatoes, sugar beets, milk, and slaughter cattle and hogs by 55 to 74 percent. These increases were offset, however, by steep rises for fuel, electricity, and fertilizer. The price of diesel fuel, for example, jumped 154 percent.

In Poland, producer prices are adjusted each July 1, and last year's increases ranged from 8 to 20 percent. The increases continued the policy of favoring crop over livestock production.

A major reform of producer prices in Yugoslavia became effective January 1985. The Government announced that it would set binding producer prices for only several key commodities. Prices for remaining farm output are to be negotiated between producers and processors, using suggested government prices as guidelines only. It's unclear how the reform will finally affect farm prices in 1985, or if it can survive the country's inflation rate of over 50 percent. Nonetheless, the Federal Government does appear committed to reducing its role in the farm economy.

Retail Prices Up

Retail food prices are generally on the rise. Prices for meat and meat products rose an average 21 percent in Hungary in January, and Yugoslav bread and flour prices were upped 18 and 19 percent, respectively, in February. However, food prices in Yugoslavia likely rose less than the rate of inflation last year because of a general price freeze between December 1983 and May 1984, followed by extensive control over wholesale food prices.

The GDR and Romania held the line on retail prices last year. The subsidy burden rose greatly in the GDR in response to the higher producer prices, while some prices for Romanian consumers may have fallen because of strict price controls on privately marketed foods.

Following widespread opposition, the Polish Government was forced to delay implementation of its planned January 1985 retail price increases. Nonetheless, the delay was less than 6 months, and the final rate of increase will be the higher of two variants initially proposed by the Government. On March 4, 1985, prices of flour, cereal products and bread, dairy products, imported vegetable oils, sugar, and tea rose 11 to 44 percent. In June, butter, meat and meat products, and animal fat prices are to rise as much as 82 percent.

Little Change in Policy Expected

Plans for 1985 continue the themes of 1984: more efficient use of inputs; improvement in trade balances; development of the domestic raw material supply, including agriculture; and improvements in production technology. Poland is still striving for economic recovery with emphasis on expanded exports, and stable investment and per capita real income.

There is no evidence of retreat from the priority for export expansion and closer trade ties with CEMA countries, particularly the USSR. However, imports will likely increase faster than in the recent past because increases in real income and consumption are planned in some countries, notably Czechoslovakia and Hungary. (*Robert Cummings*)

INVESTMENT AND INPUTS

Farm investment last year rose in Bulgaria, Czechoslovakia, Poland, and Romania, but declined in the GDR, Hungary, and Yugoslavia. The share of agriculture in

BEST COPY AVAILABLE

total investment remained fairly steady, ranging from approximately 5 percent in Yugoslavia to nearly 20 percent in Poland, Romania, and Czechoslovakia. Agricultural investment plans for 1985 call for increases in Bulgaria, Czechoslovakia, and Romania. Little or no growth is planned in the GDR, Hungary, Poland, and Yugoslavia.

Energy Shortages and Their Impact

Fuel and other energy shortages have imposed numerous constraints on agriculture, and these will continue unless efficiency or supplies improve. Larger numbers of farm vehicles and machinery, increased production of fertilizers and pesticides based on petroleum and natural gas, and the spread of greenhouses have all combined to raise fuel consumption in agriculture.

Faced with rising import costs and inadequate supplies, the countries of Eastern Europe are being forced to economize. Proposals for strict control of fuel supplies in agricultural businesses, the transportation system, and storage are being stressed in order to reduce energy consumption and losses. In Romania, for example, farmers are expected to use more hand cultivation and harvesting to save scarce fuel. The poor mechanical condition of agricultural machinery and the failure to observe operating instructions reportedly create fuel losses of up to 25 percent. (*International Zeitschrift der Landwirtschaft*, No. 5 1984).

Fertilizer Use Nears Record

Fertilizer use (measured in active ingredients) in Eastern Europe increased from 210 kilograms per hectare of arable land in 1983 to an estimated 218 kilograms in 1984. This represents a marked recovery, bringing fertilizer use close to the 1981 high point. Use of fertilizer increased most in Yugoslavia, up 16 percent. Romania, Poland, and Bulgaria also increased use. Reductions in fertilizer use occurred in Czechoslovakia, the GDR, and Hungary, reportedly because of efforts to economize and cut back on overuse.

After the critical shortages that prevailed in Yugoslavia in 1982 and 1983, availability of fertilizer improved considerably during 1984, largely because of a 10-percent increase in domestic production and higher imports of potash. However, producer prices of fertilizers were raised by an average 12 percent in January 1984. Romanian production of nitrogen and phosphate fertilizers in 1984 was up 5 percent, but only about 42 percent of total production was consumed domestically, with the remainder exported. Fertilizer supplies to Polish farms were up almost 8 percent, but were still 10 percent below the record 1975/76 use.

Most countries anticipate increased availability of fertilizers in 1985. Poland plans to increase nitrogen and phosphorus fertilizer production by about 4 percent each, and availability to farmers is to rise 8 percent. In Romania, 1985 plans optimistically call for fertilizer production to increase 28 percent, and 60 percent of total production is to be consumed domestically. Such a sizable production increase is unlikely, however, because of Romania's continuing financial and energy problems. Growth will more likely be in the 5- to 15-percent range.

Elsewhere, however, increased production will be offset by significant price rises. In Yugoslavia, higher prices planned to go into effect this year will likely limit the increase in consumption to 3 percent. Hungary, which is striving towards the more efficient use of available fertilizers, saw an 8-percent increase in fertilizer prices at the beginning of 1985. The GDR, in contrast to other countries, plans to reduce nitrogen applications on about one-third of all planted area and to increase exports of potash.

Fertilizer use in Eastern Europe 1/, 1975 and 1981-84

Country	1975	1981	1982	1983	2/ 1984
	Kilogram/hectare arable land				
Bulgaria	156	251	250	244	246
Czechoslovakia	295	344	321	340	339
GDR	370	344	281	290	289
Hungary	276	279	288	301	286
Poland	229	235	226	215	231
Romania	88	103	102	2/ 110	122
Yugoslavia	90	128	120	118	137
Eastern Europe	199	220	208	210	218

1/ Nitrogen, phosphate, and potassium in nutrients. 2/ Estimate.

Sources: Statistical yearbooks of respective countries.

BEST COPY AVAILABLE

Plant Protection Agents Remain A Problem

Inadequate supplies of plant protection agents (PPA's) continue to trouble most of the countries of Eastern Europe. PPA's are largely imported from the West, and purchases have suffered because of hard currency constraints. In Poland, supplies in 1984 were down more than 25 percent from the previous year and almost 50 percent below 1982 levels. Because of very limited financing in 1984, Romanian agriculture received only 44,500 tons of pesticides, 25 percent below the 1984 plan, and this led to extreme weediness in grains, soybeans, and potatoes.

On the other hand, the application of herbicides in the GDR in 1984 increased 58 percent, and the area treated by fungicides reportedly rose by 219 percent. Hungary, which produces more insecticides than it requires, exchanges these for Soviet fertilizer and other chemicals.

Some improvement in PPA application will take place this year. According to Polish plans, supplies of PPA's are to increase roughly 10 percent. This increase, however, would still leave supplies more than 30 percent below 1982's 16,000 tons. Hungary is calling for considerable growth in the production of pesticides this year; however, price increases of 4 to 5 percent in January may limit any rise in applications. The GDR is anticipating a still wider application of fungicides this year, and Romania's 1985 plan calls for 50 percent more pesticide supplies, a target very unlikely to be reached.

Farm Machinery Supplies Up, but Problems Remain

Inventories of major farm machinery in Eastern Europe rose significantly only in Romania and Yugoslavia. The number of farm vehicles in the rest of the region remained fairly constant. For the region as a whole, the inventory of tractors increased 7 percent, and combines were up 5 percent. Yugoslavia's tractor inventory rose 14 percent, and Romania's combines 13 percent.

While overall machinery supplies increased, disruptions in this sector continued to plague most of the countries. In Poland, for example, shortages of batteries, tires, and spare parts for farm equipment remained a significant problem. Czechoslovakia, a major producer and exporter of agricultural machinery, suffers from a number of difficulties typical to the region. According to one report, a shortage of machinery for use on slopes has forced farmers to work the land by hand. Moreover, it is reported that farmers are extremely frustrated because of the excessive manhours and fuel wasted in searching for spare parts. Rubber parts for milking machinery, gaskets for hydraulic systems, blades for cutters, and spare parts for imported Polish machinery are said to be permanently unavailable, and for those imported items that are in supply, the warehouses storing them are quite far from farms. In contrast, about 10 percent more spare parts for combines were made available in Hungary in 1984.

Poland's plans for 1985 call for a 12-percent increase in the supply of spare parts and the addition of 61,000 tractors (an 8-percent rise). Romania has set an addition of 15,000 new tractors (a 9-percent increase) as its 1985 target. In Hungary, prices for agricultural machinery and spare parts rose this year, and the Government discontinued retail price subsidies for small agricultural machinery. In general, plans for 1985 throughout Eastern Europe stress the need to increase supplies and alleviate chronic equipment problems, but significant changes are unlikely because of inadequate funds.

Tractor and grain combine numbers, Eastern Europe, (January 1) 1982-84

Country	Tractors			Grain combines		
	1982	1983	1984	1982	1983	1984
	1,000 units					
Bulgaria	61	60	58	10	9	9
Czechoslovakia	134	132	134	18	18	18
GDR	147	150	153	14	15	15
Hungary	55	55	56	13	13	12
Poland	710	757	(805)	43	46	49
Romania 1/	156	169	168	37	38	43
Yugoslavia 2/	596	622	706	9	9	9
Total	1,859	1,945	2,080	144	148	155

( ) = Estimate. 1/ Self propelled combines only. 2/ All types of combines.

Sources: CEMA statistical yearbook and statistical yearbooks of Poland and Yugoslavia.

BEST COPY AVAILABLE

Land Amelioration: An Increasing Priority

After the unprecedented drought in Eastern Europe in 1983 and early 1984, land reclamation and irrigation programs have received greater attention, although constraints on investment continue to restrict substantial improvement.

Bulgaria announced that in 1984 it intensified the irrigation of crops, improved use of irrigation equipment, and enhanced the effectiveness of work brigades. In the GDR, the renovation and expansion of irrigation facilities on areas totaling about 300,000 hectares reportedly exceeded all previous results, and as of January 1, 1985, 1 million hectares, 20 percent of all arable land, were under irrigation.

Last year also marked the completion of Romania's Danube-Black Sea Canal, offering new potential for increasing irrigation. But despite expanded irrigation, drainage, and anti-soil erosion work in 1984, Romania's land improvement plan was still not met. Land amelioration in Poland, as in past years, was neglected, primarily because of deficient supplies of material and equipment. Approximately 3.5 million hectares of land are reportedly awaiting drainage and irrigation there. In Yugoslavia, the irrigation network actually decreased, since existing canals are not used adequately and there is little incentive to promote irrigation. So far, only about 2 percent of arable land is irrigated in Yugoslavia.

More attention is likely to be given to soil amelioration throughout Eastern Europe during 1985. In Bulgaria, new irrigated areas are to be opened as part of an accelerated irrigation development program, and the GDR is calling for land improvement projects that include the building or reconstruction of irrigation facilities on 250,000 hectares of land. Poland has announced that land reclamation is a priority, but supplies of material and equipment this year are not likely to be much better than in 1984.

Romania's overly optimistic plans speak of drainage and soil conservation projects and new irrigation systems, which will bring the grand total of irrigated land to 3.7 million hectares, about 35 percent of arable land, by the end of 1985. To achieve this, the Romanians plan to improve irrigation systems on 400,000 hectares of land this year, on top of the reported 366,000 hectares of land reclaimed in 1984. This goal, however, is not likely to be reached. (*Christian J. Foster*)

GRAIN AND FEED

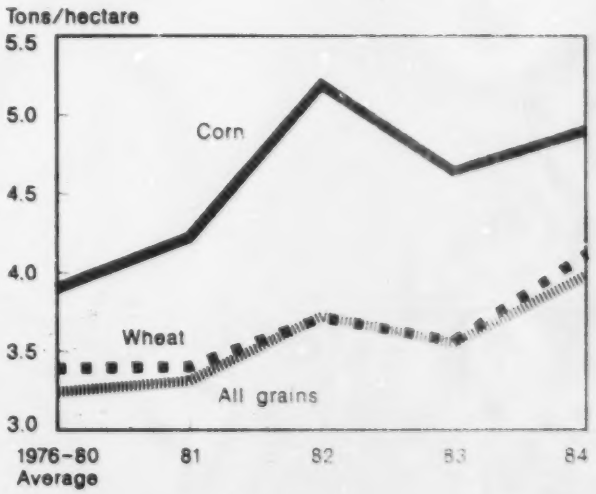
Record Production From Higher Area

Grain production for 1984 is estimated at 114 million tons, a record (table 1). This is the third consecutive harvest above 100 million tons, compared with an average outturn of only 94 million tons during 1976-80. Total production was 13 percent higher than in 1983 and a record in all countries except Bulgaria. Higher wheat production, up 18 percent to 41 million tons, and coarse grain output, up 10 percent to 73.3 million tons, accounted for the record.

Despite generally drier-than-average weather and drought-like conditions in Bulgaria and Romania early in the growing season, yields hit records. Harvested area rose to almost 29 million hectares, the largest since 1978 (table 2).

Higher producer prices also contributed to larger output. The almost single-minded pursuit of agricultural self-sufficiency since the early 1980's has led officials to increase producer prices for crops relative to livestock. The most visible case is the GDR,

Grain Yields in Eastern Europe



 BEST COPY AVAILABLE

where producer prices for grain rose 50 percent in January 1984. Prices also rose in Hungary, Poland, and Yugoslavia.

Crop quality was generally good, although several countries reported higher moisture levels than normal in harvested grain. This could have offset somewhat the increase in feed grain supplies from the record crop if drying capacity were inadequate.

Serious quality problems persist, however, in Romania. Weediness was exceptionally severe last year, and there was no progress reported in reducing harvesting and storage losses. Additionally, the Romanian practice of reporting production on a bunker-weight basis without correction to standard moisture content leaves the official production figures overstating the food and feed availability of the crop by about 15 to 25 percent.

Procurements Rise;
Storage Problems Expected

Grain procurement by state agencies was higher following the 1984 harvest. However, storage capacity should prove inadequate, as no significant expansion has occurred recently, and carryover stocks from the large 1983 crop were likely significant.

In Poland, grain procurement between July and December 1984 totaled 5.2 million tons, 11 percent higher than the same period in 1983. Storage space is so tight that the average storage losses of 10 percent were exceeded. Inadequate storage is now cited as the main problem for grains, and officials plan to expand capacity by 1 million tons over the next several years. The GDR is also expanding its storage capacity of 7 million tons, which proved insufficient to handle the 8.2 million tons of grain procured from the 1984 crop.

Feed Supplies Improve

Total feed supplies in 1984/85 will be much improved over 1983/84. Czechoslovak output of hay and GDR yields of several nongrain feeds, including potatoes, were records.

The most significant improvement will occur in Poland. Output of potatoes, the basic domestic feed for hogs, posted its second successive increase, and production of other feeds is also up. These increases will combine with increased availability of protein meals and grain to support continued expansion of compound feed production. Production in 1985 is estimated at 8 million tons, 14 percent above 1984's output.

Sales of mixed feed to private farmers are also up. Sales between July and December 1984 were 37 percent higher than a year earlier. Although sales in 1984/85 will be above 1983/84's 2.7 million tons, they still will not approach the more than 6 million tons of the late 1970's.

Imports Decline; Exports Up

Data are incomplete, but grain imports fell in 1984, probably to an estimated 7 to 7.5 million tons from 1983's 9.8 million (table 3). This is the third consecutive decline in imports. Exports are estimated at about 5 million tons, just slightly above 1983 shipments.

Because of last year's excellent rye crop, Poland emerged as a significant exporter of this grain in 1984 and 1985. The rye surplus is placed at 1 million tons by Polish officials. In late 1984, the country "swapped" with the Soviet Union 400,000 tons of rye for almost 400,000 tons of wheat, although the wheat was probably not of Soviet origin. The Federal Republic of Germany will also import 80,000 tons of rye in a barter for pork. Total exports from the 1984 crop could be as high as 700,000 tons.

U.S. grain exports suffered from reduced East European buying. Direct exports of 1.1 million tons were 21 percent lower than in 1983. The GDR and Poland were the only major U.S. customers, while Czechoslovakia, Hungary, and Romania purchased no U.S. grain. As in the past, coarse grains, principally corn, accounted for most (90 percent) of U.S. sales in 1984.

Continued slow growth of livestock production, particularly in Poland, insufficient foreign exchange, and above-average domestic grain production account for the continued dropoff in the region's imports. U.S. sales have also suffered from ample grain supplies in competitor countries and the GDR's long-term sales agreements with Canada and

BEST COPY AVAILABLE

Austria. More than one-third of the GDR's import needs in 1985 will be met from Canadian and Austrian grain imports (1 million tons from Canada and 350,000 tons from Austria).

Poland should again receive 500,000 to 550,000 tons of wheat financed by the Soviet Union this year, plus 70,000 to 80,000 tons of rice. Romania and Yugoslavia should provide a significant portion of Poland's corn imports, and Hungary and France will be additional suppliers of wheat.

Hungary remains the major grain supplier in the region, exporting a total of approximately 2 million tons of grain split among Czechoslovakia, the GDR, Poland, plus the Soviet Union. Corn exports from Yugoslavia could suffer, however, despite 1984's record output. In August 1984, Yugoslav officials banned corn exports, hoping to reduce feed costs to livestock producers by forcing the domestic market price for corn lower. Exports this year are estimated at 500,000 tons, at least 200,000 tons below 1984 shipments.

Last year's record crop will depress grain imports further. Total imports in 1985 are estimated between 6.6 and 6.9 million tons. Exports should be up sharply, however. Inadequate storage capacity and no plans for significant increases in livestock production could push exports up to between 7 and 7.3 million tons, leaving the region a modest net exporter for the first time in over a decade.

Lower 1985 Crop Expected

Grain production in 1984 was abnormally high, and production this year should decline to between 104 and 110 million tons. Fall sowing of winter grain was delayed by 1 to 3 weeks in most countries, but the crop germinated well and went into dormancy with adequate snow cover. However, production could suffer in Romania, where uneven germination occurred, and in Yugoslavia, where the autumn sowing target for wheat was not reached. Autumn wheat area, at 1.3 million hectares, is 200,000 hectares less than in 1983 and 15 percent below plan. Yugoslav officials estimate that if 1984's yields repeat, the wheat shortfall could range between 650,000 and 800,000 tons, depending on the size of spring-sown area. (*Robert Cummings*)

OILSEEDS AND PRODUCTS

Total oilseed production in 1984 came to about 4.8 million tons, up 23 percent from the 1983 crop (table 4). Area, at 2.5 million hectares, was 10 percent higher than last year (table 5). There were increases in all three major crops--soybeans, sunflowerseed, and rapeseed--with rapeseed and soybean output up almost one-third each. Despite a second year of dry weather, average oilseed yields were up 16 percent from last year. Meal use was up in 1984, partly because of the larger 1983 rapeseed crop and partly because of an increase in meal imports by Poland

Production Up 23 Percent

Soybean production reached 801,000 tons, up 32 percent from 1983. The area planted to soybeans increased in both Yugoslavia and Romania. However, Yugoslavia came nowhere near meeting its plan of 138,000 hectares of soybeans. Even though procurement prices were raised to induce greater plantings, production costs rose even faster, so the economic incentive disappeared. Romania saw a significant improvement in yield, but at 1.3 tons per hectare, it was still well below Yugoslavia's yield of 2 tons.

Sunflowerseed production, at 2.2 million tons, was up 14 percent from 1983. Some progress has been made in Romania and Yugoslavia combating the fungal disease phomopsis, which was reflected in improved yields. Bulgaria, on the other hand, was hit especially hard by dry weather; its sunflowerseed production, about 460,000 tons, is only slightly above 1983 and still well below the 511,000 tons of 1982.

The 31-percent increase in rapeseed production was largely the result of a 72-percent expansion in the Polish crop. The Poles increased the area from 247,000 to 395,000 hectares in an attempt to reduce dependence on foreign meal. Yields were up 8 percent. The rapeseed crop also did well in Yugoslavia, rising 18 percent.

Meal Imports Up;
Slight Recovery in Use

After 2 years of low meal consumption, 1984 appears to be the beginning of a recovery. Consumption is estimated to have

BEST COPY AVAILABLE

risen just over 6 percent from 1983, and prospects are for a continuing increase in use. This year, large increases in Polish meal production and imports were offset somewhat by declines in Yugoslavia, Romania, and the GDR. In 1985, Polish meal use is expected to remain high, and Yugoslav meal imports should recover, so total meal use will most likely continue its increase.

Poland more than doubled its imports of oilseed meal in 1984, estimated to be over 900,000 tons. Only 446,000 tons were imported in 1983 (table 6). That increase, combined with the country's expanded rapeseed production in 1983, led to about a 50-percent rise in meal consumption.

Bulgaria and Czechoslovakia likely registered slight increases in meal use, Bulgaria because of increased imports and Czechoslovakia because of its large 1983 rapeseed crop. Other countries experienced either no change or a slight decline. The GDR has been gradually replacing the meal in its feed rations with grain and synthetic protein. Romania increased its soybean imports from 331,000 tons in 1983 to about 425,000 in 1984, but still failed to compensate fully for its low 1983 oilseed production. Yugoslavia also increased its soybean imports, but meal imports fell from 188,000 tons in 1983 to 150,000, or possibly even less, in 1984.

Oilseed meal utilization 1/, Eastern Europe, 1980-84

Item	1980	1981	1982	1983	2/ 1984
			1,000 tons		
Processing from domestic crops 3/					
Soybean meal	425	421	346	482	430
Sunflower meal	729	626	719	771	675
Rapeseed meal	325	651	588	601	710
Fish meal	86	82	77	52	55
Imports					
Oilseed meal	4,394	4,764	4,008	3,779	4,190
Soybeans 4/	679	538	442	556	620
Sunflowerseed 4/	27	37	37	3	30
Fish meal	383	309	325	366	320
Exports					
Oilseed meal	29	11	37	16	15
Apparent meal consumption	7,019	7,417	6,505	6,594	7,015

1/ Including fish meal. 2/ Preliminary. 3/ Estimated from preceding year's harvest minus exports. 4/ Converted to meal equivalent.

Source: Country yearbooks and FAO Trade Yearbook.

Oilseed Production To Change Little; Meal Use To Rise

Little change in total oilseed production can be expected in 1985. There will most likely be a decrease in rapeseed production, but increases are likely for the soybean and sunflowerseed crops. Meal consumption, however, is expected to continue its rise.

The Poles are unlikely to achieve the same rapeseed crop. The area planted to rapeseed in the fall of 1984 came to about 480,000 hectares, which is higher than last year. However, a 15-percent loss from winterkill is expected, which, if yields are just average, would result in a lower harvest in 1985. The GDR is planning a 10-percent increase in area, and the plan calls for a crop of 360,000 tons, up from 1984's estimated 260,000. The plan implies a yield of 2.6 tons per hectare, which is unlikely.

The 1985 plan in Yugoslavia calls for a 47-percent increase for rapeseed area, a 41-percent rise for soybeans, and an 81-percent expansion for sunflowerseed. While there may very well be some area increase in all three crops, the high price of corn makes oilseed prices uncompetitive, so it is unlikely that plantings will increase that much. As in previous years, the plan for sunflowerseed plantings is especially optimistic.

A continued increase in meal consumption is expected in 1985. Polish imports of soybean meal are expected to remain the same as in 1984. This level of imports, combined with increased domestic crushing because of the big rapeseed crop, will result in another large increase in Polish meal supplies.

Yugoslavia will most likely increase its meal imports because it has been allocated $25 million in Commodity Credit Corporation (CCC) GSM-102 export credit guarantees for fiscal 1985. Most of this credit should be used this year, as the problems causing the failure to use fully the fiscal 1984 credit have been resolved (see section on U.S. agricultural trade). Meal use will probably decline slightly

BEST COPY AVAILABLE

in the GDR, and little change is expected in the other countries. (*Nancy Cochrane*)

OTHER CROPS

Potato Production Rebounds

Potato production in 1984 was about 64 million tons, 16 percent more than in 1983 and the best crop since 1981. While total area declined slightly--by less than 2 percent--average yields rose 18 percent to 18.2 tons per hectare. The GDR achieved a record yield of 24.3 tons per hectare, well above the 1981-83 average of 17.4. As a result, production went up 69 percent, the largest increase in the region.

The second best performer was Hungary, where production rose just under 30 percent. In Czechoslovakia, production rose 18 percent, despite storm damage in mid-July, which lowered the quality of potatoes and caused significant harvest losses. Production in Poland rose 9 percent, even with the potato beetle problem that continued in 1984, though not as widespread as the year before. Potato production rose slightly in Romania, and it fell somewhat in Bulgaria and Yugoslavia.

In 1985, the GDR plans to decrease area planted to potatoes by about 38,000 hectares or 8 percent. Poland's plans for this year call for the same production as in 1984, and in both Romania and Yugoslavia, production is planned to rise about 4 percent. All countries are stressing the need to improve harvesting, storage facilities, transportation, distribution, and the prevention of spoilage.

Record Sugar Beet Production

Production of sugar beets came to over 50.7 million tons in 1984, setting a record for the region. Production was 18 percent higher than in 1983. Planted area was only 1 percent higher, but the yield for the region rose by more than 16 percent. Record output was reported in Romania and Yugoslavia, where production went up about 45 and 20 percent, respectively. In Bulgaria, after a particularly poor harvest in 1983, production rose 50 percent, but was still 39 percent less than in 1982.

The production of refined sugar in Eastern Europe, at approximately 5.85 million tons, was essentially unchanged from 1983. The reasons for the lack of increase include lower sugar content in beets in some countries, inadequate processing capacities, and lag times between actual harvesting and processing.

Good weather during the last half of the growing season was the major reason for Yugoslavia's extraordinary output and reported high sugar content of beets. Yugoslavia's sugar industry likely produced about 915,000 tons of refined sugar, up 26 percent from 1983 and considerably above the country's requirements of 840,000 tons. Refined sugar production in Romania was 806,000 tons, up 45 percent from 1983.

Bad weather in Poland during 1984 was reportedly responsible for the low sugar content of beets, pushing refined sugar production down more than 10 percent. Nevertheless, this reduced amount is considered ample to meet normal market demands. However, rationing may continue in order to control household distilling, which has increased because of high retail liquor prices. Sugar production increased in the GDR and Czechoslovakia, but fell in Hungary and Bulgaria.

In 1985, the GDR plans to reduce planted area by some 4 percent, while Romania and Yugoslavia plan to increase it by 30 percent and 27 percent, respectively. Sugar beet production this year is planned to increase in Czechoslovakia, Hungary, Poland, Romania, and Yugoslavia. Yugoslavia plans to increase sugar output approximately 10 percent, and Romania is calling for an unrealistic increase of 18 percent.

Cotton Imports Up; Production Steady

All East European countries--including Bulgaria and Yugoslavia, the only cotton producers--are net cotton importers. In 1984, production of seed cotton in the two countries equaled an estimated 18,375 tons, roughly the same as last year and less than 3 percent of total cotton consumption in the region. The main cotton supplier to the region is the USSR, which provides about 65 percent of all imports. Other leading suppliers include Syria, Greece, and Egypt.

BEST COPY AVAILABLE

Eastern Europe's imports of ginned cotton, which fell more than 11 percent in 1983, increased last year almost 10 percent, totaling roughly 750,000 tons. Yugoslavia alone imported 127,000 tons of cotton last year, up 26 percent and a record high for the country. Poland increased its imports 22 percent, regaining its 1982 import level. During 1985, cotton imports are expected to increase slightly, with Yugoslavia planning on another record. (*Christian J. Foster*)

LIVESTOCK

Output in the livestock sector rose slightly last year, but growth remained well below that achieved in crop production. High costs and inadequate mixed feed supplies again constrained output, especially in Poland and Yugoslavia. Livestock numbers generally fell in Czechoslovakia and Hungary in order to bring inventories in line with the domestic feed base and, for Hungary, with reduced demand for meat exports. The impressive gains reported by Romania in animal numbers and meat production conflicted with continued reports of food shortages and high losses because of poor animal health. Per capita meat consumption remained stable or rose slightly in most countries. However, Poland was forced to import just over 100,000 tons of meat to maintain consumption.

Most Animal Numbers Unchanged; Meat Output Up

Livestock numbers remained virtually unchanged last year (table 7). Reported increases in Romania's cattle herd offset declines in most of the other countries, while higher hog numbers in the GDR, Poland, and Romania counterbalanced declines in every other country. The decline in hog numbers was most severe in Yugoslavia and Hungary, down 7 and 6 percent, respectively. Unfavorable export markets account for the Hungarian decline, and very high feed prices led to forced slaughter in Yugoslavia.

Recovery in Poland's hog and poultry numbers has begun following 3 years of decline. Hog numbers rose 8 percent because of improved feed supplies and more favorable procurement prices. Government allocation of high-protein mixed feed to broiler enterprises supported a 6 percent rise in poultry numbers. Nevertheless, hog and poultry numbers remain 10 and 16 percent, respectively, below their peaks in the early 1980's.

Reported increases in Romanian cattle and hog numbers appear extremely optimistic in view of reports of severe health problems on livestock farms and ongoing meat shortages. Last winter's very low temperatures and extreme energy conservation put additional stress on livestock.

Total meat production rose just over 2 percent to 12 million tons, and every country except Poland reported an increase (table 8). Pork production in Poland was off 12 percent, reflecting the herd drawdowns of the last 2 years.

Excellent forage and pasture conditions led to record milk production of 45.6 million tons. Milk yields probably rose in all countries. Egg production was also likely a record, rising almost 2 percent to 38.6 billion eggs.

Price Changes Spur Meat Output in GDR, Yugoslavia

Higher prices received by livestock producers caused increased meat production in the GDR and Yugoslavia, but for opposite reasons. Last year's reform of agricultural producer prices in the GDR significantly raised prices for livestock. As a result, private producers reportedly expanded their holdings and increased sales of slaughter animals to the State.

In Yugoslavia, hog owners suffered increases in production costs that far outstripped the rise in prices received for their animals. During January–July 1984, corn prices rose 87 percent over the same period in 1983, but market prices for hogs rose only 36 percent. Hog slaughtering and pork production increased sharply as a result. The increase in meat output was so large that the domestic market was temporarily flooded with meat. However, the distress hog slaughter that provided the meat glut could result in tight supplies as soon as late 1985.

BEST COPY AVAILABLE

Market Supplies Improve

With the exception of Poland and Romania, market supplies of livestock products remained stable or improved slightly. Consumers in the GDR remained in first place for meat consumption, with per capita consumption estimated at 95 kilograms (table 9). Consumption also probably rose in Yugoslavia because of the meat glut. The increase in consumption would probably have been larger than the estimated 4-percent rise if it were not for the country's 53-percent inflation rate. The slack market demand prompted the central and provincial governments to purchase over 100,000 tons of meat for stockbuilding.

Polish consumers saw no improvement in meat supplies last year. Rationing continued and per capita consumption remained 21 percent below the 1980 peak for the third consecutive year. However, butter rationing ended in June 1985, leaving meat the only rationed livestock product.

Meat Imports Up, but Region Remains Net Exporter

Complete regional trade data are available only for 1983, when exports of meat and meat products were slightly more than 1 million tons, versus 289,000 tons of imports. The GDR nearly doubled imports, while problems in Romania's livestock sector forced another decline--19 percent--in exports.

The region's meat imports likely rose in 1984, because Poland nearly doubled purchases to 103,000 tons. Nevertheless, Eastern Europe remained a net exporter of approximately 550,000 tons. Most of Poland's imports were Hungarian pork, with additional quantities from China, Czechoslovakia, and the Federal Republic of Germany (FRG). Imports are expected to decline to 30,000 tons this year, assuming a significant increase in beef and, especially, pork output. Of the planned imports, 18,000 tons will reportedly be New Zealand lamb.

Two of the region's major exporters, Hungary and Yugoslavia, report declining profitability for livestock exports. Even though Yugoslav meat exports in 1984 rose approximately 14 percent in volume and those of live cattle and eggs by 13 and 4 percent, respectively, the value of all livestock exports fell 3 percent. The poor profit margin for Hungary's poultry markets contributed greatly to the estimated lack of growth in poultry numbers there last year.

Slight Growth Expected

Only slight growth is expected in livestock production this year. All countries will use 1984's bumper harvests to reduce feed imports rather than significantly expand meat output. The extremely cold 1984/85 winter across Europe has already had negative impacts on livestock production in Czechoslovakia, where milk yields have fallen, and Romania, where piglet and chick deaths have increased.

Czechoslovakia and the GDR will continue to hold steady, or reduce, poultry and hog numbers while increasing those of cattle. In Hungary, officials say that it's more profitable to feed most of 1984's surplus grain and export the resulting livestock production than to export the grain. With low world prices for pork and poultry, however, cattle production is being stressed this year.

Meat production for the region should be slightly higher this year, but any increase should come from more efficient feeding. Bulgaria and Poland may increase production the most. In Yugoslavia, the free-market price of corn has dropped because of 1984's record crop and a ban on corn exports, but the large slaughterings in 1984 and continued concerns over profitability should result in lower meat output this year.

Per capita meat consumption should remain stable this year except in Bulgaria and Yugoslavia. Consumption should continue to rise in Bulgaria, while it could fall in Yugoslavia. There should be little improvement in Poland this year because the expected increase in meat supplies will be only slightly more than what's needed to compensate for population growth. (*Robert Cummings*)

FOREIGN TRADE AND FINANCE

Most countries of Eastern Europe saw an improvement in their balance of payments and

 BEST COPY AVAILABLE

financial situations during 1984. The overall trade balance improved and was in surplus in all countries except Yugoslavia. Most countries managed to increase their hard currency reserves and continued to pay off their debts, while Yugoslavia and Poland worked towards rescheduling much of their maturing debt. The improved financial situation in Eastern Europe has opened the doors to new loans for some countries, notably Hungary and the GDR.

Trade Balance Improves

The 1984 regional trade balance was positive and higher than in 1983 (table 10). The improvement came despite increases in imports by most East European countries because exports rose faster.

Only Yugoslavia continued to have a negative merchandise trade balance, but it was down to $1.8 billion from $2.2 billion in 1983. Furthermore, Yugoslavia had a current account surplus of $504 million, the result of increased tourist receipts.

Hard currency trade balances showed marked improvement everywhere. Yugoslav exports for hard currency were up 9 percent; those to developed countries rose 21 percent. Yugoslavia still had a hard currency deficit of $1.2 billion, but this was an improvement over last year. Hungary's hard currency surplus was $600 million, up $50 million from 1983, while Poland's was $1.5 billion. The other countries also had a positive balance in their hard currency trade.

Despite the favorable hard currency balances, the East European countries continued to run deficits in their trade within CEMA, which is settled mostly in a nonconvertible currency accounting system under bilateral trade agreements. Hungary, the GDR, Czechoslovakia, and Bulgaria have increased the share of their trade turnover with CEMA. The share of CEMA in Poland's trade was constant, while the CEMA share in Yugoslavia's trade declined in 1984. Only Yugoslavia is running a surplus in its trade with CEMA.

Hungary's intra-CEMA trade balance is improving, but most of the other countries are experiencing a widening deficit. This is especially so for Poland. Its imports from the nonconvertible currency zone rose faster than its exports to it, and Poland ended the year with a deficit of 666 million rubles, up from 523 million in 1983 ($1=0.74 rubles). (The Soviet Union's increasing demands on Eastern Europe for agricultural goods and the worsening terms of trade with the USSR are examined in a special article at the end of this report.)

Agricultural Trade Balance Improves in Poland

Poland's agricultural trade deficit continued to decline. Its agricultural imports, after declining sharply in 1982 and 1983, increased about 20 percent in 1984. However, agricultural exports rose about 50 percent because domestic output greatly increased. The balance should improve further in 1985.

Agricultural trade elsewhere had mixed results. Yugoslavia and Hungary, which export large quantities of meat, suffered from sagging world prices. Yugoslavia's meat exports in 1984 were actually higher in volume than in 1983, but revenues were down. Furthermore, there were complaints in the press of several East European countries that exports were being hurt by European Community protectionism. These issues are of particular concern because meat exports are an important source of hard currency earnings.

Yugoslavia's agricultural trade deficit widened considerably in 1984. A higher volume of imports resulted from a 1983 measure giving approval for the National Bank of Yugoslavia to allocate $560 million for the import of critical raw materials, including such agricultural products as vegetable oils, soybeans, and protein meal. Imports of livestock products also increased and, for the first time, exceeded exports. The deficit could widen further in 1985, as wheat imports may become necessary.

Foreign Debt Stabilizes; New Lending Resumes

The improvement in the trade balance enabled many of the East European countries to make a significant dent in their foreign debt. Only Yugoslavia, which still owes approximately $17 billion, and Poland, whose debt increased from $26.4 billion in 1983 to $26.8 billion in 1984, continue to have serious

BEST COPY AVAILABLE

problems. The Governments of both these countries are in the midst of rescheduling negotiations and are hopeful that debt will soon be under control.

Yugoslavia has reached agreement with the International Monetary Fund (IMF) on a new $300 million, 1-year standby credit, and has been seeking a rescheduling of $3.3 billion due to commercial banks during 1985-88. A committee of banks has agreed in principle to this rescheduling, but has yet to work out the details.

The improved financial situation of Eastern Europe has opened the door for some resumption of new lending on the part of Western banks and Governments. Hungary, which in 1982 could not obtain new loans from the West, received a total of $1.2 billion in new loans in 1984, including a $250 million credit from the World Bank and a loan of $480 cofinanced by the World Bank and a consortium of Western banks. This is to be used for the development of Hungary's oil and gas industry and for improvement in the agricultural sector.

The largest amount of new lending has gone to the GDR. Among the credits going to the GDR in 1984 were a $334 million loan guaranteed by the West German Government, 100 million Swiss Francs from a consortium of Swiss banks, $400 million from a group of Western banks (one quarter of them West German), and more. The intent was for the West German credit to be linked to human rights concessions on the part of the GDR. While there was no formal link established between the credit and such concessions, the East Germans did ease conditions for West Germans visiting relatives across the border.

Other Western credit granted to the GDR appears to have had no strings attached. This huge infusion of Western money into the GDR has left analysts puzzled; it is not clear whether that country will use this hard currency to service its current debt or simply to build up hard currency reserves and finance imports.

Sanctions Against Poland Eased

After Poland's announcement in July 1984 of its amnesty program and subsequent release of political prisoners, the United States announced that it would withdraw its objections to IMF membership for Poland. Although Washington still refuses to approve government-to-government loans and continues to deny most-favored-nation status, it has joined with other Western government lenders to resume discussion of rescheduling Poland's official debt.

Negotiations with Western government creditors on the rescheduling of $10.5 billion due during 1982-84 are currently in progress. This rescheduling was approved in principle on January 16, with the details to be worked out later. However, in March the government creditors decided to postpone any final agreement until the Polish Government meets its outstanding interest obligations.

More progress has been made with commercial bank creditors. In July 1984, a group of 15 international banks agreed to reschedule $1.6 billion falling due between 1984 and 1987. (*Nancy Cochrane*)

Estimated net hard currency debt, Eastern Europe, year end, 1981-84

Country	1981	1982	1983	1984
	Billion dollars			
Bulgaria	2.2	1.7	1.4	.9
Czechoslovakia	3.4	3.3	2.7	2.5
GDR	12.3	10.7	9.1	7.7
Hungary	7	6.6	6.8	6.1
Poland	24.7	23.8	26.4	26.8
Romania	9.8	9.4	8.8	6.8
Yugoslavia	16.3	16.8	17.6	17.0
Total	75.7	72.3	72.8	67.8

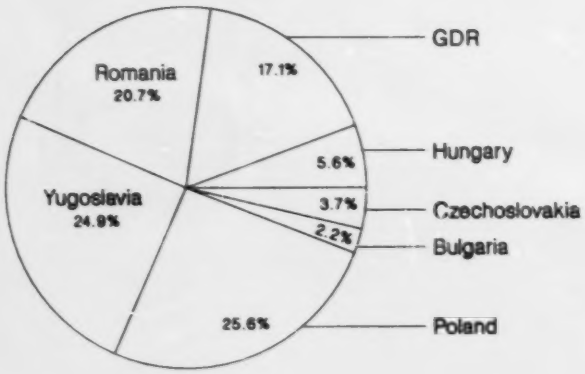
Source: Data for 1981-83 are from the forthcoming article: "Eastern Europe: Facing Up to the Debt Crisis," by R. Miller and D. Barclay in a Joint Economic Committee print assessing the economies of Eastern Europe. Data for 1984 come from various press reports.

U.S. AGRICULTURAL TRADE

Direct U.S. agricultural exports (not including transshipments) to Eastern Europe in 1984 came to $757 million, down 10 percent from 1983 (table 11). Total U.S. exports to Eastern Europe were $1.3 billion, down 13 percent from 1983, and the share of agricultural products in total exports, at 58 percent, was nearly the same as in 1983. Agricultural exports to Romania increased 33

BEST COPY AVAILABLE

Individual Country Shares of U.S. Agricultural Exports to Eastern Europe, 1984



percent, with its share in direct U.S. agricultural exports increasing significantly from 14 to 21 percent. Exports to all other countries except Czechoslovakia fell in 1984, with exports to Yugoslavia, Hungary, and Bulgaria dropping 30, 27, and 54 percent, respectively. The reduction in import demand throughout the region can be attributed mostly to hard currency constraints and the resulting emphasis on countertrade arrangements and import substitution.

Transshipments, which in previous years have been quite large (over $100 million) have dropped to under $40 million. Because of the decline in value and the difficulty in obtaining accurate data, transshipments will not be added to direct exports this year. Previously, large amounts of U.S. agricultural goods destined for Eastern Europe were transshipped through West European ports and listed by the Census Bureau as exports to Western Europe. Currently, some goods listed as exports to Yugoslavia are transshipped through Rijeka to other East European countries; these somewhat inflate the Yugoslav figures at the expense of exports to other countries.

U.S. agricultural imports from Eastern Europe, at $260 million, were down only 1.7 percent from 1983. Overall, the United States had a surplus in agricultural trade with Eastern Europe, but ran deficits with Bulgaria and Hungary. Total U.S. imports from Eastern Europe increased to $2.1 billion, and, for the first time, the United States ran a deficit in its total trade with Eastern Europe.

Grain, Meal Exports Down; Soybeans Up

A 20-percent decline in value of direct grain exports to Eastern Europe caused much of the decline in U.S. agricultural exports (table 12 and table below). Direct wheat exports fell from $52 million to $19 million. All 116,000 tons of wheat exported to Eastern Europe went to Poland. The other countries did not import U.S. wheat because the excellent 1983 and 1984 wheat harvests reduced demand. In addition, supplies from other sources were adequate.

Coarse grain exports, at $139 million, were just 5 percent less in value in 1984 than in 1983. Direct corn exports fell 15 percent in value, but were largely offset by greater exports of barley and grain sorghum caused by lower prices for those two grains. The decline

Total U.S. exports, direct exports and transshipments of selected agricultural commodities to Eastern Europe, 1983

Commodity	Total Exports		Direct Exports		Transshipments	
	1,000 tons	$ million	1,000 tons	$ million	1,000 tons	$ million
Total grain	1,631	214.4	1,462	196.7	169	17.7
Wheat	385	54.1	367	51.6	18	2.5
Corn	1,084	139.5	1,027	132.1	57	7.4
Soybeans	720	180.8	720	179.8	0	0
Vegetable oil	143	62.8	143	62.8	0	0
Soybean meal	755	174.7	567	133.7	188	41.0
Cotton	47	82.6	47	82.6	0	0
Hides 1/	2,491	76.8	2,491	76.8	0	0

1/ 1000 pieces.

Source: Bureau of the Census, Dept. of Commerce; U.S. Export Sales, FAS/USDA.

BEST COPY AVAILABLE

in coarse grain exports follows a drop of 57 percent in 1983. These declines can be attributed in part to recent excellent harvests and in part to hard currency constraints. Nevertheless, a major factor has been a sharp reduction in the U.S. share in GDR imports beginning in 1983, a result of competition from Canada and Austria.

U.S. exports of soybeans to Eastern Europe came to 780,000 tons and were valued at $228 million, up 8 percent in volume and 26 percent in value from 1983. Soybean exports to both Yugoslavia and Romania were a record high: 302,000 and 369,000 tons, respectively. Polish imports, however, fell from 193,000 to 74,000 tons. Because of its large 1983 rapeseed crop, Poland did not have the crushing capacity available for imported soybeans.

Eastern Europe as a whole is estimated to have bought over 4 million tons of oilseed meal in the world market during 1984. Poland alone imported close to 1 million tons. However, U.S. sales came to only 410,000 tons of soybean meal, down 28 percent in volume from direct exports in 1983.

The United States is facing increasingly stiff competition from a number of sources. Poland, for example, bought 270,000 tons of peanut meal from India last year. The largest competitor has been Brazil, which seems to be more amenable to barter trade. Brazilian trade policy favors exports of meal over beans, which explains why U.S. soybeans face less competition.

Exports of animal products, at $194 million, were up 35 percent in value. Most of this increase was in hides, which increased 59 percent in value. Cotton exports were down 56 percent in value on a calendar-year basis; on a fiscal-year basis, however, cotton exports came to $55 million in both 1983 and 1984. The variation between calendar 1983 and 1984 results from a large quantity exported to Yugoslavia in the last 3 months of 1983. Because CCC credit guarantees granted to Yugoslavia and Hungary for cotton purchases in fiscal 1985 have been increased from $60 million to $75 million, cotton exports should recover this year.

Processed meat, mostly canned hams, valued at $151 million, accounted for 58 percent of U.S. imports from Eastern Europe (table 13). Other imports continue to be tobacco, wine, and hops.

CCC Credit Use Down; Food Aid Tapers Off

In fiscal 1984, CCC export credit guarantees (GSM--102) were allocated to Yugoslavia and Hungary in the amounts of $190 and $24 million, respectively. Hungary used virtually all the credit guarantees available to it, mainly for cotton and oilseed meal purchases. However, Yugoslavia used only $97.2 million, almost 55 percent less than what it used in fiscal 1983. While some of this drop was offset by increased cash purchases, it did contribute to the drop in U.S. exports to Yugoslavia.

CCC credit guarantees allocated to Yugoslavia in fiscal 1984 covered protein meal, soybeans, vegetable oil, cotton, and hides and skins. Guarantees were used only for cotton ($58.3 million), hides and skins ($30 million), and soybean meal ($8.9 million), however. Failure to use the guarantees resulted in part from the Yugoslav Government's requirement that credit only be used for the import of commodities that could generate export earnings. Oilseeds and vegetable oil were deemed not to meet this requirement last year.

This situation should improve somewhat in 1985. CCC credit guarantees allocated to Yugoslavia for fiscal 1985 total $170 million and include $50 million for hides and skins, $70 million for cotton, and $25 million each for soybeans and protein meal. It appears that not all of this will be used, but more will be used than last year. Yugoslavia is expected, however, to use almost all the credit for cotton.

The Yugoslav Government has now accepted importers' arguments that purchases of oilseeds and more meal than previously bought will result in higher exports of meat, and has granted these products "commodity credit status." This change in Government policy may lead to more use of the credit guarantees for meal, especially if the ban on corn exports continues, making it more difficult to use corn in countertrade arrangements for meal.

 BEST COPY AVAILABLE

However, little of the credit for soybeans is likely to be used, because the Yugoslav Government has provided up to $20 million to cover 50 percent of importers' foreign exchange costs for oilseed imports, with the proviso that the CCC credit guarantees cannot be used for the other half. The Yugoslavs did not request any credit for vegetable oil, as the National Bank of Yugoslavia is now providing credit for up to 50 percent of the foreign exchange needed for its import.

Credit guarantees allocated to Hungary for fiscal 1985 total $31 million and include $24 million for soybean meal, $5 million for cotton, and $1 million for protein isolates. Except for cotton, it is likely that virtually all of this will be used.

The food aid that the United States provided to the Polish people in fiscal 1984 came to $27.8 million under Title II of P.L. 480 and $4.7 million (market value) under section 416 of the Overseas Dairy Donation Program. Shipments under Title II included 18,000 tons of vegetable oil, 65,000 tons of wheat flour, and 22,000 tons of rice. Authorizations for fiscal 1985 so far come to $14.1 million under P.L. 480 and $518,000 under section 416. (*Nancy Cochrane*)

OUTLOOK

Following the bumper crop year in 1984, most countries plan only modest growth in their agricultural sectors in 1985. Planned agricultural growth ranges from zero in Czechoslovakia to an unrealistic 6 to 6.8 percent in Romania. Most countries intend to concentrate on crop production, with little or no growth planned in their livestock sectors.

Input Supplies Should Improve

Except for a planned 13.6-percent increase in Romania, very little expansion is planned in agricultural investment or in machinery, although supplies of spare parts should improve.

Supplies of fertilizer and plant protection agents should increase; in Yugoslavia, for example, the National Bank has allocated $160 worth of foreign exchange for imports of raw materials for the production of fertilizer and PPA's. Hungary is also increasing fertilizer production, and availability is expected to increase in Poland and Romania. Nevertheless, demand will be constrained by increased prices almost everywhere.

Plans call for large increases in land improvement, particularly in the GDR, Bulgaria, and Romania. There may be some increase, more so than in previous years, but the plans seem overly ambitious in view of the modest rises in planned investment.

Decline Expected in Crop Sector

It is highly unlikely that the favorable conditions leading to the record 1984 grain crop will be repeated in 1985, so total grain production will probably decline to 104 to 110 million tons. Nevertheless, winter grains should do quite well. Sowing was delayed by up to 3 weeks in many places, and the winter has been harsh. But for the most part, the grain is reported to have gone into dormancy in good condition, and snow cover has been adequate to protect it from the extreme cold. Problems are expected in Yugoslavia, where fall wheat sowing was 15 percent below plan because wheat prices are not competitive with corn, and in Romania, where germination was uneven.

There are reports of delays in spring sowing in Hungary, and delays were also likely in Romania, where the winter has been the harshest and spring temperatures have been well below average. Yugoslavia should see an increase in its corn harvest. Because of the continuing high prices of corn on the free market, much of the land that was not planted to wheat in the fall may well be planted to corn.

Little change is expected in oilseed production. Increases in rapeseed production are planned in the GDR and Yugoslavia, but Poland is unlikely to repeat its near-record 1984 crop. Yugoslavia is planning large increases in its soybean and sunflower plantings. Because Yugoslav oilseed prices are not competitive relative to the high corn prices, these ambitious plans will probably not be met. However, there should be a respectable increase in soybean production and a modest rise in sunflowerseed, since progress is being made in combating phomopsis. Because of the good 1984 oilseed crop and an expected increase in meal imports by

BEST COPY AVAILABLE

Yugoslavia and Hungary, meal supplies should continue their upward trend.

Modest Growth Forecast for Livestock Sector

Continuing emphasis on self-sufficiency will lead to only modest growth in livestock production. Domestic feed supplies will improve as a result of the record grain harvest, but that increase will be mostly offset by reduced imports. Poland's plan calls for a 4.3-percent rise in production; elsewhere, little growth is planned. In fact, Czechoslovakia's 1985 plan calls for a 3.9-percent decline in livestock production. Production should also fall in Yugoslavia, where distress slaughter has seriously depleted hog inventories.

Except for Poland, which is planning large increases in pork production, most countries are emphasizing cattle production rather than hog or poultry. Hungary's move in that direction is a response to the fall in world pork and poultry prices. More generally, the shift to cattle is an effort to make use of domestic sources of feed and reduce dependence on imports.

Agricultural Trade Balance May Improve

Emphasis will continue to be on achieving balanced agricultural trade, and the deficit may decline somewhat in 1985. Grain imports will fall, to perhaps 6.6 to 6.9 million tons, the result of the record 1984 harvest, and grain exports should increase, possibly to 7 to 7.3 million tons.

Imports of soybeans are expected to decline because of the improvement in the Yugoslav and Romanian crops in 1984 and because of Poland's lack of crushing capacity. However, meal imports are forecast to be approximately the same as in 1984. Polish imports should decline slightly because of that country's large rapeseed meal supplies, but Yugoslavia is expected to increase its purchases. Yugoslav vegetable oil imports are also expected to increase, because the National Bank is providing credit.

Meat exports could increase in volume but may not result in any increased revenue, as world prices are still soft. On the other hand, Poland, the main importer of meat (mostly pork), is expected to import much less in 1985.

No Improvement Seen in U.S. Exports

U.S. agricultural exports to Eastern Europe are projected to fall still further in 1985. Fiscal 1985 exports are forecast at $650 million, down 11 percent from fiscal 1984. Declines are projected for grain and soybean exports, but there should be some increase in soybean meal and a significant increase for cotton. Exports of hides and skins will likely remain at their 1984 level.

U.S. wheat exports to Eastern Europe are likely to be nonexistent, except for relief shipments to Poland. Only Yugoslavia is projected to import wheat during 1985, and because U.S. wheat prices are higher than those of other suppliers, that wheat is unlikely to come from the United States.

Coarse grain exports will likely decline slightly from 1984's already low level. As in the past, the largest customer for U.S. corn will be the GDR, with small amounts going to Poland and Bulgaria. However, sales to the GDR will remain low because of continuing contracts with Canada and Austria. Yugoslavia has been buying some sorghum from the United States in an attempt to alleviate the tight feed situation caused by the high corn prices.

The United States will remain the primary supplier of soybeans to Eastern Europe. However, as overall demand for soybean imports is expected to be down, U.S. exports will suffer accordingly.

While total meal imports by Eastern Europe are not expected to change much, the U.S. share may increase. Hungary was allocated $24 million in CCC credit guarantees for protein meal for fiscal 1985. From October 1, 1984, to May 9, 1985, Hungarian meal imports from the United States came to 183,000 tons at over $40 million. Total U.S. meal exports to Hungary in fiscal 1985 could come to 200,000 tons, up from 68,000 in fiscal 1984.

Prospects for U.S. meal exports to Yugoslavia are also improved. The Yugoslavs are expected to make greater use of CCC

 BEST COPY AVAILABLE

credits for soybean meal, because a continuation of the current ban on corn exports will make countertrade arrangements more difficult.

The U.S. share in the Yugoslav cotton market is expected to increase. CCC credit guarantees of $70 million have been allocated to Yugoslavia for cotton imports. Cotton exports to Yugoslavia to date are well ahead of last year, and it is expected that the Yugoslavs will use at least $60 million of the available credit.

Exports of hides and skins will most likely be about the same as last year. Demand for pigskins is falling, but demand for cattle hides remains strong, and exports this year should be higher than in 1984. (*Nancy Cochrane*)

EASTERN EUROPE STEPS UP FOOD EXPORTS TO THE SOVIET UNION

Christian J. Foster
Economist
Economic Research Service

Abstract: The remainder of the 1980's will likely see increasing East European agricultural exports to the USSR. Soviet agricultural shortfalls and Eastern Europe's deteriorating terms of trade and trade deficits vis-a-vis the Soviet Union are the primary reasons. The rise in food exports to the Soviet Union will place additional economic constraints on the region.

Keywords: Soviet-East European trade, intra-CEMA agricultural trade, terms-of-trade, CEMA summit, food exports, Soviet market.

For Eastern Europe, the second half of the 1980's will continue to be a period of increased agricultural exports to the USSR.1/ Two of the reasons for this trend are the Soviet Union's inability to reach self-sufficiency and its desire to raise per capita food consumption. Another factor is that terms of trade between the two areas have changed dramatically in favor of the Soviet Union in recent years. Eastern Europe's sales to the Soviet Union have had to be increased to help offset the large accumulated trade deficits, incurred in part because of the deterioration in terms of trade. Lastly, slack demand in other parts of the world has contributed to a reorientation of agricultural exports toward the USSR.

While increased food exports to the Soviet Union have had some positive effects on the East European economies, they have also had significant adverse implications. The benefit to Eastern Europe is the ability to sell products otherwise unmarketable in the West. On the negative side, declining hard currency earnings from sales of foodstuffs to convertible currency areas limit needed imports and impair repayment of debt obligations.

USSR Calls on Eastern Europe To Increase Food Shipments

The Soviet Union, which faced its sixth consecutive poor grain harvest in 1984, has great difficulties satisfying consumer demand. Even with the introduction of the "Food Program" in 1982, sporadic food

1/ This paper focuses on Hungary, Bulgaria, and Romania--the chief food producers of Eastern Europe--to illustrate the marked change in agricultural trade with the USSR. However, a similar pattern, albeit in agricultural machinery, can be seen in the trade of Czechoslovakia, the German Democratic Republic (GDR), and Poland. Yugoslavia is not included in this discussion because the country is not a full member of the Council for Mutual Economic Assistance (CEMA). Also, trade with the Soviet Union is not conducted on exactly the same terms as it is between the Soviet Union and the East European members of CEMA.

BEST COPY AVAILABLE

shortages and below-plan agricultural performance continue. Meeting the long-range goal for food self-sufficiency is impeded by a growing population and increased disposable incomes, which are raising consumer demands and expectations for more and better quality food, such as meat, vegetables, and fruit. Complicating these problems is the sizable state subsidization of most consumer prices, which has kept food prices stable and stimulated demand. These shortfalls in Soviet agriculture underlie to a great extent the USSR's insistence that its partners in CEMA further increase their food exports.

Eastern Europe's deteriorating terms of trade vis-a-vis the USSR have made it easier for the Soviet Union to require more goods from the region. The costs of commodities traded within CEMA are derived from the intra-CEMA pricing mechanism, whereby prices are calculated annually as the average of corresponding world market prices (WMP's) over the previous 5 years. In the past, the "moving average" price formula benefited the East Europeans by allowing them to purchase Soviet raw materials at below the WMP. However, as the WMP for the goods exported by the Soviet Union increased at a faster rate than the WMP for the products it imported from Eastern Europe, the terms of trade changed to the disadvantage of the region.

The result can be seen in the wheat and crude oil trade of Hungary and the USSR. The price of crude oil Hungary purchased from the USSR increased by more than 100 percent between 1976 and 1983. On the other hand, the price of wheat, the commodity for which the USSR is Hungary's largest customer, increased by less than 20 percent.

Crude oil and wheat prices in Hungarian-Soviet trade, 1976-83

Year	Wheat	Crude oil
	Hungarian forints per metric ton	
1976	5,500	1,763
1977	1/	2,003
1978	4,842	2,225
1979	7,647	2,584
1980	6,733	2,020
1981	7,398	2,687
1982	6,592	3,097
1983	6,486	3,655

1/ Not applicable because no sales reported.

Source: Hungarian Foreign Trade Statistical Yearbooks, 1976-83.

The USSR's favorable terms of trade have enabled it, as the main supplier of fuels and raw materials, to improve trade imbalances with Eastern Europe and acquire better quality goods, even while decreasing the traditional level of oil exports. In 1982, for example, the USSR cut back oil exports to Eastern Europe by 10 percent. Since then, however, the USSR has not decreased oil deliveries any further.

Nevertheless, Eastern Europe continues to run trade deficits, and these are a major concern to the Soviets. The deficits totaled over 12 billion transferable rubles during 1976-83. 2/ The annual deficit grew from 880 million transferable rubles in 1976 to over 3 billion in 1981. The deficits began to decline only in 1982, apparently under pressure from the USSR. A significant portion of the deficit has resulted from Soviet assistance to the crisis-ridden Polish economy, which has cost the equivalent of over $5 billion in "trade credits" alone since 1980.

Agricultural Exports to USSR Increase

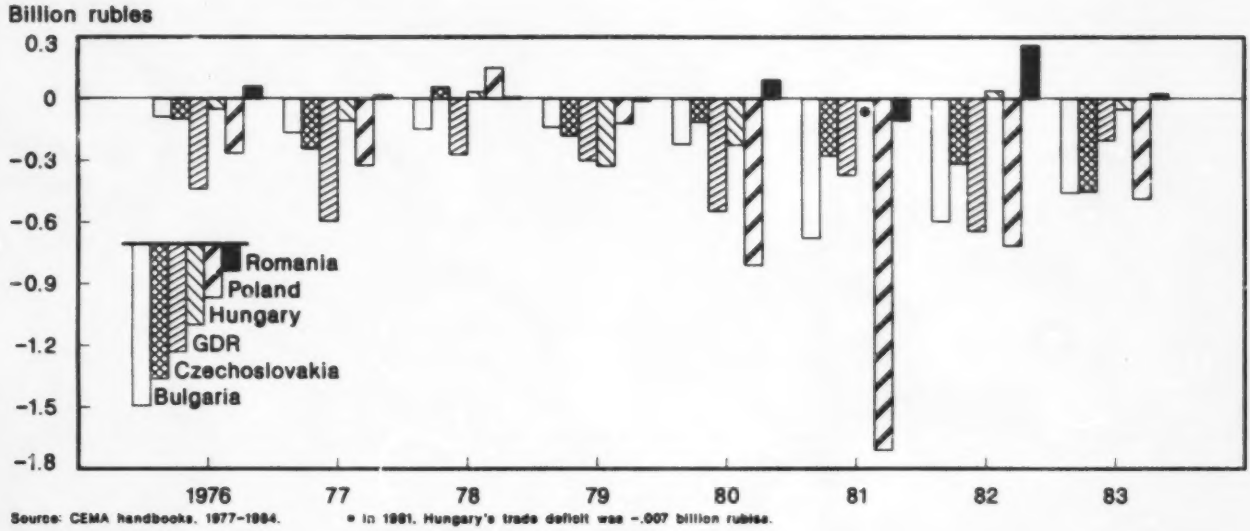
The East Europeans increased the volume and quality of food and other exports to the USSR during 1980-83. While the GDR and Czechoslovakia are net importers of agricultural products, they are under pressure to offset their trade deficits and contribute to the Soviet Food Program by increasing exports of agricultural machinery, equipment, and chemicals.

Hungary, the largest per capita food producer in CEMA, has raised considerably exports of wheat, meat and meat products, and fresh fruit to the Soviet market. Correspondingly, the Soviet share in Hungarian exports of these goods has risen markedly. In the case of Bulgaria, exports of wheat (especially in 1982 and 1983), eggs, and fresh fruit have increased substantially, as has the

2/ Intra-CEMA trade is conducted on a clearing-account basis, with values expressed in transferable rubles.

BEST COPY AVAILABLE

Eastern Europe's Trade Balances with the USSR



Source: CEMA handbooks, 1977-1984. • In 1981, Hungary's trade deficit was -.007 billion rubles.

Soviet share in these exports. As for Romania, increased exports to the USSR are primarily reflected in shipments of meat.

Implications for Eastern Europe Loom Large

Deteriorated terms of trade and expanded East European food exports to the USSR have broad ramifications for the region's economies. The impact has been adverse, but there is a positive side as well.

Bulgaria, Hungary and Romania: Selected exports to the USSR, 1976-79 and 1980-83 averages

Country and Commodity	1976-79 average	1980-83 average	Percent change
	1,000 metric tons		
Bulgaria			
Wheat	0	381	NA
Eggs 1/	138	173	25
Fruit & berries	48	67	40
Hungary			
Wheat	81	699	763
Meat & meat products	85	216	154
Fruit & berries	241	301	25
Romania			
Meat & meat products	43	82	91

NA=Not applicable. 1/ Million units.

Sources: East European country yearbooks, CEMA Handbooks, Soviet foreign trade yearbooks.

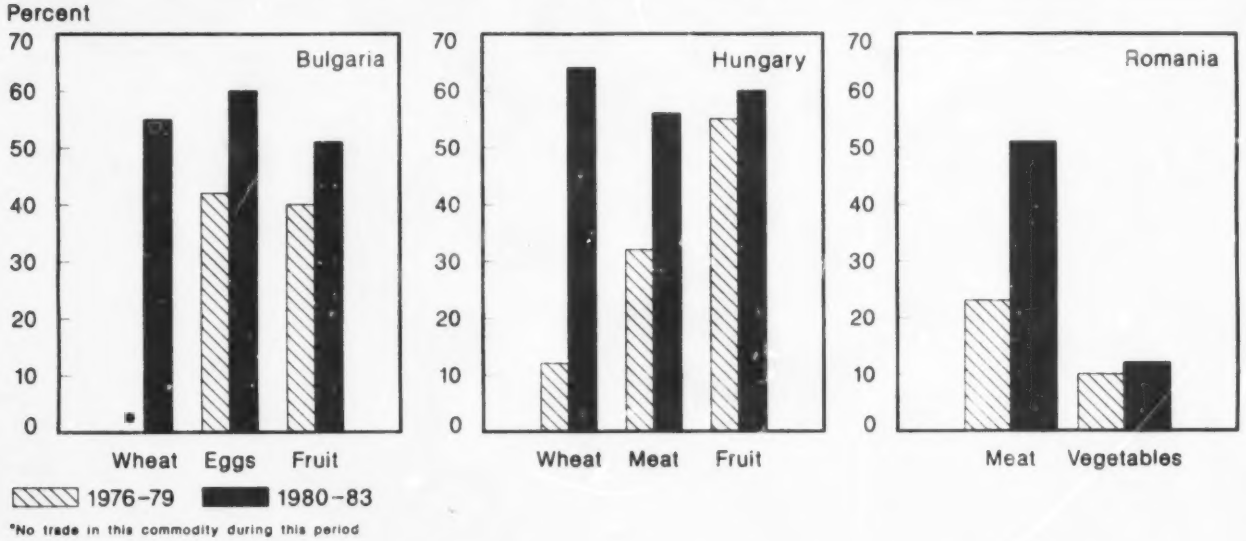
Increases in Soviet raw material prices have increased the cost of inputs and reduced profitability for East European agricultural producers. These inputs imported from the Soviet Union include fuel and energy products; other raw materials, such as chemicals and minerals; and heavy machinery used in agriculture. The deterioration in the terms of trade has been accompanied by reluctance on the part of the USSR to increase or even maintain traditional material deliveries. Furthermore, East European imports of "hard goods," such as oil, in excess of amounts contracted for in bilateral trade agreements are generally obtained in exchange for other designated "hard goods" valued at prevailing WMP's. 3/

Increased exports to the USSR have also had a serious impact on the East European countries' ability to earn hard currency. As more foodstuffs go to the USSR, less are available for export to convertible currency areas. This is particularly troublesome when agricultural exports account for a large share of hard currency earnings. Decreased convertible currency reserves severely hamper payment of foreign debt obligations, an especially serious situation given the fragile

3/ "Hard goods" are those products that meet Western quality standards and are able to compete in convertible currency markets.

BEST COPY AVAILABLE

Soviet Union's Share of Selected Agricultural Exports



external finances of several East European countries. Furthermore, diminished hard currency earnings have a negative impact on the region's ability to purchase critical products from the West, such as high technology machinery and equipment, feed grains, and important chemical products (fertilizers, pesticides, etc.).

In Romania, the effect of increased agricultural exports to the USSR has worsened the plight of the average man on the street. Domestic food supply shortages have caused price hikes, rationing, and changes in official dietary norms.

On the positive front, at times when demand in hard currency markets has been weak, the USSR has proven to be an alternative buyer of East European agricultural products and a reliable supplier of fuel and raw materials. Furthermore, while CEMA oil prices have steadily been increasing, they have until recently been below the WMP. Thus, the opportunity costs of closer trade with the USSR are not easily measurable. But the question remains whether a country such as Hungary, which has a food surplus, would grow as much food as it does (requiring additional inputs and investments) if it were not for satisfying increased Soviet demands.

Outlook for East European–Soviet Farm Trade Bleak

While brighter prospects for agricultural cooperation and development within CEMA are frequently expressed in the Soviet-bloc media, the medium-term economic outlook is likely to remain bleak for the East European countries as long as they are called on to provide more goods for less compensation.

In June 1984, CEMA held a much-delayed summit in Moscow, attended by all member-country Communist party leaders (except Fidel Castro). The summit was called to discuss the future course of economic integration. A significant outcome of the summit, the first convened in 15 years, was a declaration calling for CEMA members to support the food and agricultural investments of the major exporters--Hungary, Bulgaria, and Romania. This is to be done by improving their export incentives, either by defraying exporters' production costs through cooperative production projects or by paying better prices for agricultural exports. While this statement is unprecedented in an officially published communique, its mere pronouncement by no means ensures its implementation. Except for this declaration, there is very little, if anything, that has not been called for on numerous occasions in the past.

According to the document, member States regard as "a top priority task the utmost development of branches of the agro-industrial complex and cooperation in this sphere." Moreover, they remain "resolved to reinforce their efforts for increasing the

BEST COPY AVAILABLE

output of food and carrying out the appropriate common measures." 4/

Some of these oft-repeated top-priority tasks include improvement of soil productivity, field cultivation, irrigation, and drainage programs. Other proposals advocated are intensified scientific and technological research, specialization of agricultural equipment manufacturing, conservation of energy and raw material resources, and further development of plant varieties and livestock breeds.

Thus, while a promising future for joint agricultural development within CEMA is projected, it remains unlikely that the objectives outlined above will be carried out. As has often been the case, it will be difficult to move from rhetoric to concrete actions. A continuing decline in world oil prices could bring down energy costs over the longer term and thereby somewhat halt the deterioration in terms of trade. Nevertheless, this would portend only a slight degree of relief for Eastern Europe.

Furthermore, while East European-Soviet trade will inevitably grow closer, certain East European countries (mainly Hungary, the GDR, and even Bulgaria) have vested interests in their trade ties with the West and will continue to pursue the development of these ties. It is unlikely, however, that any significant change will take place in the current orientation of agricultural trade. The outlook for the remainder of the 1980's can best be summed up by a statement in the CEMA Summit final communique, which stresses that in order to ensure:

> ...the continuation of deliveries from the USSR of a number of raw materials and energy,.. the interested CEMA member States will gradually and consistently... have to carry out the necessary measures...with the aim of supplying the Soviet Union with the products it needs, in particular, foodstuffs...

4/ *Kooperation*, Volume 18, No. 9, September 1984, pp. 419-422, (East Berlin).

BEST COPY AVAILABLE

EXPLANATORY NOTES

Agricultural land: Arable land (cultivated land, gardens, and orchards), meadows, and pastures.

Council for Mutual Economic Assistance (CEMA): Bulgaria, Cuba, Czechoslovakia, the German Democratic Republic (GDR), Hungary, Mongolia, Poland, Romania, Soviet Union, and Vietnam.

Eastern Europe: Northern countries--Czechoslovakia, the GDR, and Poland. Southern countries--Bulgaria, Hungary, Romania, and Yugoslavia.

Transshipments: U.S. exports destined for Eastern Europe and unloaded in Canada or Western Europe, but reported by the U.S. Bureau of the Census as exports to the port of entry. Beginning in 1984, transshipments are no longer being calculated because of their low value and difficulty in obtaining data.

Metric Units are used throughout:
One metric ton = 2,204.6 pounds
One kilogram = 2.2046 pounds
One hectare = 2.471 acres

Cattlehides: one piece = 22 kilograms
Milk: one liter = 1.031 kilograms

Statistical data in this report are taken from the yearbooks of the respective countries and from the yearbooks of the Council for Mutual Economic Assistance. Other sources are noted as appropriate. Data on Albania are so scarce that Albania is not covered here.

LIST OF TABLES

Page	Table	
29	1	Production of grains, Eastern Europe, 1976–80 average and 1980–84 annual
30	2	Area of grains, Eastern Europe, 1976–80 average and 1980–84 annual
31	3	Grain trade, Eastern Europe, 1976–80 average and 1981–83 annual
32	4	Production of selected crops, Eastern Europe, 1976–80 average and 1980–84 annual
33	5	Area of selected crops, Eastern Europe, 1976–80 average and 1980–84 annual
34	6	Trade of selected agricultural commodities, Eastern Europe, 1976–80 average and 1981–83 annual
35	7	January livestock numbers, Eastern Europe, 1976–80 average and 1981–85 annual
36	8	Production of principal livestock products, Eastern Europe, 1976–80 average and 1980–84 annual
37	9	Per capita consumption of selected foods, Eastern Europe, 1975 and 1980–84
38	10	Total and agricultural trade, Eastern Europe, 1980–84
39	11	U.S. total and agricultural trade with Eastern Europe, 1980–84
40	12	Volume and value of U.S. agricultural exports to Eastern Europe, 1976–80 average and 1982–84 annual, continued
42	13	Volume and value of U.S. agricultural imports from Eastern Europe, 1976–80 average and 1981–84 annual

BEST COPY AVAILABLE

Table 1--Production of grains, Eastern Europe, 1976-80 average and 1980-84 annual 1/

Commodity and year	Bulgaria	Czecho-slovakia	GDR	Hungary 2/	Poland	Romania 3/	Yugo-slavia	Total Eastern Europe
				1,000 tons				
Wheat								
1976-80	3,513	4,949	2,998	5,186	5,089	6,104	5,306	33,145
1980	3,847	5,386	3,098	6,077	4,176	6,417	5,091	34,092
1981	4,443	4,325	2,942	4,614	4,203	5,295	4,270	30,092
1982	4,913	4,606	2,739	5,762	4,476	6,455	5,218	34,169
1983	3,608	5,820	3,550	5,985	5,165	5,210	5,525	34,863
1984	4,840	6,170	4,060	7,300	6,000	(7,000)	5,605	(40,975)
Rye								
1976-80	20	578	1,748	135	6,474	(50)	87	(9,092)
1980	28	570	1,917	141	6,566	(50)	79	(9,351)
1981	34	544	1,797	116	6,731	(50)	75	(9,347)
1982	34	583	2,119	117	7,792	(50)	84	(10,779)
1983	31	751	2,092	138	8,780	(40)	83	(11,915)
1984	32	710	2,500	170	9,500	(50)	80	(13,042)
Barley								
1976-80	1,532	3,386	3,715	772	3,560	1,981	664	15,610
1980	1,375	3,575	3,979	929	3,419	2,466	826	16,569
1981	1,406	3,392	3,476	903	3,540	2,571	720	16,008
1982	1,436	3,654	4,055	871	3,647	3,052	669	17,384
1983	1,047	3,276	3,882	1,013	3,262	2,193	661	15,334
1984	1,280	3,680	4,145	1,320	3,585	(3,500)	695	(18,205)
Oats								
1976-80	70	423	525	90	2,434	56	298	3,896
1980	54	423	582	113	2,245	47	294	3,758
1981	62	433	598	169	2,731	65	311	4,369
1982	50	491	848	123	2,608	91	269	4,480
1983	30	475	498	124	2,377	80	248	3,832
1984	50	485	715	130	2,600	(100)	245	(4,325)
Corn								
1976-80	2,652	724	2	6,374	165	11,097	9,192	30,206
1980	2,256	745	4	6,673	58	11,153	9,317	30,206
1981	2,401	706	3	6,998	65	11,892	9,807	31,872
1982	3,418	941	1	7,959	68	12,620	11,126	36,133
1983	3,101	722	--	6,426	64	11,982	10,719	33,014
1984	3,075	940	10	6,700	50	(12,825)	11,265	(34,865)
Rice								
1976-80	62	--	--	31	--	48	34	175
1980	67	--	--	24	--	39	42	172
1981	74	--	--	39	--	49	42	204
1982	75	--	--	48	--	46	42	211
1983	74	--	--	47	--	84	40	245
1984	70	--	--	50	--	(75)	40	(235)
Other grains 4/								
1976-80	--	--	49	45	1,773	47	7	1,921
1980	--	--	46	52	1,872	28	5	2,003
1981	--	--	47	50	2,451	23	5	2,576
1982	--	--	259	39	2,575	21	4	2,898
1983	--	--	44	32	2,451	19	5	2,551
1984	--	--	70	(30)	2,650	(50)	5	(2,805)
Total grains								
1976-80	7,849	10,060	9,037	12,633	19,495	19,383	15,588	(94,045)
1980	7,627	10,699	9,626	14,009	18,336	20,200	15,654	(96,151)
1981	8,420	9,400	8,863	12,889	19,721	19,945	15,230	(94,468)
1982	9,926	10,275	10,021	14,919	21,166	22,335	17,412	(106,054)
1983	7,891	11,044	10,066	13,765	22,099	19,608	16,281	(101,754)
1984	9,345	11,985	11,500	(15,700)	24,385	(23,600)	17,935	(114,450)

-- = No information reported, or amount under 1,000 tons. () = Estimate. 1/ 1984 data are preliminary. 2/ Includes production of private gardens, which averaged 83,000 tons of grain in 1976-80 and 225,000 tons in 1981-83. 3/ For a discussion of the accuracy of Romanian production figures see the Grain and Feed section. 4/ Includes buckwheat, millet, spelt, mixed grains, triticale, and sorghum.

BEST COPY AVAILABLE

Table 2--Area of grains, Eastern Europe, 1976-80 average and 1980-84 annual 1/

Commodity and year	Bulgaria	Czecho-slovakia	GDR	Hungary 2/	Poland	Romania	Yugo-slavia	Total Eastern Europe
				1,000 hectares				
Wheat								
1976-80	938	1,229	720	1,274	1,735	2,256	1,616	9,768
1980	968	1,197	707	1,276	1,609	2,239	1,516	9,512
1981	1,032	1,090	675	1,151	1,418	2,101	1,386	8,853
1982	1,060	1,073	591	1,310	1,456	2,151	1,558	9,199
1983	1,128	1,192	754	1,355	1,537	2,227	1,609	9,802
1984	1,125	1,200	785	1,350	1,710	2,350	1,460	9,980
Rye								
1976-80	15	186	645	81	2,997	(40)	64	(4,028)
1980	20	179	678	73	3,039	(40)	55	(4,084)
1981	27	171	656	74	3,002	(40)	54	(4,024)
1982	23	177	653	74	3,273	(40)	53	(4,293)
1983	25	203	713	72	3,448	(35)	51	(4,547)
1984	26	190	720	70	3,545	(35)	48	(4,634)
Barley								
1976-80	485	919	981	237	1,288	662	298	4,870
1980	426	921	969	246	1,322	810	324	5,018
1981	382	996	964	286	1,294	917	310	5,149
1982	352	967	982	262	1,236	943	284	5,026
1983	323	822	889	277	1,099	741	280	4,431
1984	315	775	870	275	1,055	925	270	4,485
Oats								
1976-80	49	162	157	35	1,067	52	215	1,737
1980	41	139	155	35	997	51	194	1,612
1981	46	160	172	55	1,156	62	194	1,845
1982	44	172	218	50	1,086	88	176	1,834
1983	34	154	163	48	1,042	70	168	1,679
1984	23	(140)	165	40	935	75	155	(1,533)
Corn								
1976-80	657	202	--	1,297	41	3,295	2,256	7,748
1980	584	192	--	1,229	16	3,288	2,202	7,511
1981	563	178	1	1,163	16	3,327	2,297	7,545
1982	621	184	--	1,130	16	2,764	2,246	6,961
1983	596	204	--	1,102	15	2,935	2,264	7,116
1984	540	195	2	1,100	15	2,900	2,330	7,082
Rice								
1976-80	17	--	--	23	--	21	8	69
1980	17	--	--	16	--	20	9	62
1981	16	--	--	13	--	20	9	58
1982	16	--	--	13	--	21	9	59
1983	16	--	--	13	--	28	9	66
1984	20	--	--	13	--	30	9	72
Other grains 3/								
1976-80	--	--	20	(24)	740	28	6	(818)
1980	--	--	16	(15)	864	21	4	921
1981	--	--	17	(20)	1,021	16	4	1,078
1982	--	--	71	(15)	1,027	15	4	1,132
1983	--	--	18	(14)	964	16	3	1,015
1984	--	--	18	(15)	900	15	3	951
Total grains								
1976-80	2,161	2,698	2,523	(2,971)	7,868	6,354	4,463	(29,038)
1980	2,056	2,628	2,526	(2,890)	7,847	6,469	4,304	(28,720)
1981	2,066	2,595	2,485	(2,762)	7,907	6,483	4,254	(28,552)
1982	2,116	2,573	2,515	(2,854)	8,094	6,022	4,330	(28,504)
1983	2,122	2,575	2,537	(2,881)	8,105	6,052	4,384	(28,656)
1984	2,049	(2,500)	2,560	(2,863)	8,160	6,330	4,275	(28,737)

-- = No information reported, or amount under 1,000 hectares. () = Estimate. 1/ 1984 data are preliminary. 2/ Area under socialized cultivation only. 3/ Includes buckwheat, millet, spelt, mixed grains, triticale, and sorghum.

BEST COPY AVAILABLE

Table 3—Grain trade, Eastern Europe, 1976-80 average and 1981-83 annual

Commodity and country	Imports				Exports			
	1976-80	1981	1982	1983	1976-80	1981	1982	1983
				1,000 tons				
Wheat								
Bulgaria	124	60	60	—	326	319	1,018	520
Czechoslovakia	519	218	262	219	—	56	408	98
GDR 1/	953	794	731	1,543	59	72	75	95
Hungary	8	100	1	—	682	1,298	1,147	1,107
Poland	2,723	3,448	3,602	2,368	—	—	—	—
Romania 2/	687	1,160	315	400	971	199	451	(150)
Yugoslavia	630	424	765	348	18	50	1	67
Total	5,644	6,204	5,736	4,878	2,056	1,994	3,100	(2,037)
Barley								
Bulgaria	73	1	—	—	18	—	—	—
Czechoslovakia	126	20	—	—	59	18	20	20
GDR 1/	782	582	356	1,274	147	154	138	153
Hungary	130	45	1	—	8	23	22	24
Poland	1,410	879	144	354	16	—	—	—
Romania 2/	84	—	—	(300)	—	—	—	(50)
Yugoslavia	22	5	14	21	4	17	6	1
Total	2,627	1,532	515	(1,949)	252	212	186	(248)
Corn								
Bulgaria	367	953	390	181	84	54	—	39
Czechoslovakia	942	675	1,064	502	6	15	—	—
GDR	1,775	1,823	1,349	663	—	—	—	—
Hungary	116	9	1	10	330	123	438	264
Poland	1,985	2,465	413	521	—	—	—	—
Romania 2/	590	1,568	342	(400)	602	1,391	691	(600)
Yugoslavia	240	—	383	—	249	220	205	1,331
Total	6,015	7,493	3,942	(2,277)	1,271	1,803	1,334	(2,234)
Other grains 2/, 3/								
Bulgaria	5	2	2	3	—	—	—	—
Czechoslovakia	14	10	50	8	4	24	(15)	(23)
GDR	342	97	92	(267)	170	(141)	133	116
Hungary	14	1	7	14	15	14	14	10
Poland	675	311	88	39	18	—	—	99
Romania	302	30	26	32	4	—	—	—
Yugoslavia	4	3	9	7	6	1	2	—
Total	1,356	454	274	(370)	217	(180)	(164)	(248)
Rice								
Bulgaria	7	—	5	20	1	4	—	—
Czechoslovakia	78	81	66	50	—	—	—	—
GDR	44	42	31	23	—	—	—	—
Hungary	23	19	13	61	—	—	—	—
Poland	87	115	81	57	1	—	—	—
Romania	56	56	62	64	—	5	5	(3)
Yugoslavia	17	35	31	30	—	—	—	—
Total	312	348	289	305	2	9	5	(3)
Total grains								
Bulgaria	576	1,016	457	204	429	377	1,018	559
Czechoslovakia	1,679	1,004	1,442	779	69	113	443	141
GDR	3,896	3,338	2,559	3,770	376	367	346	364
Hungary	291	174	23	85	1,035	1,458	1,621	1,405
Poland	6,880	7,218	4,328	3,339	35	—	—	99
Romania 2/	1,719	2,814	745	(1,196)	1,577	1,595	1,147	(803)
Yugoslavia	913	467	1,202	406	277	288	214	1,399
Total	15,954	16,031	10,756	(9,778)	3,798	4,198	4,789	(4,770)

— = No information reported, or amount less than 1,000 tons.
1/ Trading partners data for exports only. 2/ FAO data for imports. 3/ Rye, oats, bran, and grain sorghum.

BEST COPY AVAILABLE

Table 4—Production of selected crops, Eastern Europe, 1976–80 average and 1980–84 annual 1/

Commodity and year	Bulgaria	Czecho-slovakia	GDR	Hungary	Poland	Romania	Yugo-slavia	Total Eastern Europe
				1,000 tons				
Potatoes								
1976–80	370	3,678	9,873	1,567	42,742	4,431	2,705	65,366
1980	301	2,695	9,214	1,392	26,391	4,135	2,440	46,568
1981	403	3,743	10,378	1,608	42,562	4,447	2,774	65,915
1982	469	3,608	8,883	1,459	31,951	5,006	2,636	54,012
1983	427	3,177	7,063	1,234	34,473	(6,260)	2,580	(55,214)
1984	425	3,735	11,910	1,580	37,440	(6,480)	2,405	(63,975)
Sugar beets								
1976–80	1,827	7,132	6,996	3,979	14,149	6,135	5,258	45,476
1980	1,414	7,255	7,034	3,941	10,139	5,562	5,213	40,558
1981	1,136	6,969	8,043	4,719	15,867	5,441	6,224	48,399
1982	1,583	8,210	7,193	5,371	15,085	6,647	5,671	49,760
1983	746	6,041	5,711	3,783	16,364	4,819	5,666	43,130
1984	1,120	7,610	7,820	4,350	16,050	7,000	6,790	50,740
Sunflowerseed								
1976–80	392	17	—	300	—	821	433	1,963
1980	380	25	—	456	—	817	302	1,980
1981	457	33	—	627	—	810	327	2,254
1982	511	36	—	582	—	847	202	2,178
1983	454	41	—	592	—	700	139	1,926
1984	460	44	—	640	—	890	160	2,194
Rapeseed								
1976–80	—	151	291	81	637	12	60	1,232
1980	—	214	308	98	572	19	68	1,279
1981	—	200	284	76	496	14	65	1,135
1982	—	178	307	85	433	13	79	1,095
1983	—	314	259	93	554	21	104	1,345
1984	—	300	260	100	955	20	130	1,765
Soybeans								
1976–80	114	4	—	37	—	293	56	504
1980	107	5	—	37	—	448	34	631
1981	105	7	—	43	—	268	92	515
1982	116	6	—	54	—	301	198	675
1983	82	5	—	51	—	259	210	607
1984	100	6	—	60	—	410	225	801
Tobacco								
1976–80	141	5	5	21	80	46	67	365
1980	120	5	4	15	56	37	57	294
1981	130	6	4	23	96	28	70	357
1982	145	6	4	25	96	33	77	386
1983	124	6	4	21	100	25	71	351
1984	125	5	5	15	90	28	75	343
Corn silage								
1976–80	4,866	14,930	10,951	6,104	21,512	4,348	1,253	63,964
1980	4,498	14,647	11,434	6,613	18,000	3,688	1,460	60,340
1981	5,053	15,642	13,434	7,287	20,836	4,403	1,622	68,277
1982	5,969	18,813	10,408	7,086	14,398	7,945	1,803	66,422
1983	6,630	14,900	10,615	6,270	11,875	6,695	2,085	59,070
Hay 2/								
1976–80	2,052	6,129	4,809	2,903	8,294	5,636	3,414	33,237
1980	2,080	7,169	6,113	3,128	8,089	5,312	3,378	35,269
1981	2,076	6,635	6,296	2,588	9,568	5,330	3,314	35,807
1982	2,182	6,451	5,079	2,674	8,166	6,300	3,120	33,972
1983	1,940	7,275	5,915	2,390	8,895	(5,990)	2,950	(35,355)
Feed roots								
1976–80	690	870	2,401	692	9,055	3,605	749	18,062
1980	479	715	1,714	661	8,044	2,986	685	15,284
1981	431	795	2,721	645	11,722	3,276	675	20,265
1982	498	1,220	2,770	700	10,541	4,392	664	20,785
1983	345	1,060	2,355	725	10,350	3,675	615	19,125

-- = No information reported, or amount under 1,000 tons. 1/ 1984 data are preliminary and unavailable for corn silage, hay, and feed roots. 2/ Does not include meadow hay and includes only lucerne, clover, and vetch in Yugoslavia.

BEST COPY AVAILABLE

Table 5--Area of selected crops, Eastern Europe, 1976-80 average and 1980-84 annual 1/

Commodity and year	Bulgaria	Czecho-slovakia	GDR	Hungary 2/	Poland	Romania	Yugo-slavia	Total Eastern Europe
				1,000 hectares				
Potatoes								
1976-80	35	223	566	84	2,410	291	301	3,910
1980	35	199	513	63	2,344	286	287	3,727
1981	37	200	505	61	2,257	299	291	3,650
1982	40	199	504	56	2,178	311	280	3,568
1983	41	193	483	50	2,220	319	274	3,580
1984	41	195	490	55	2,150	310	275	3,516
Sugar beets								
1976-80	66	217	260	118	505	247	125	1,538
1980	56	218	250	104	460	238	128	1,454
1981	56	219	262	122	470	282	147	1,558
1982	61	213	258	126	493	269	139	1,559
1983	33	211	238	109	486	257	141	1,475
1984	50	210	240	105	475	270	140	1,490
Sunflowerseed								
1976-80	233	13	—	185	—	515	214	1,160
1980	247	20	—	273	—	508	180	1,228
1981	260	19	—	302	—	506	196	1,283
1982	253	22	—	296	—	496	138	1,205
1983	262	23	—	286	—	490	76	1,137
1984	255	27	—	320	—	470	85	1,157
Rapeseed								
1976-80	—	72	124	53	327	8	28	612
1980	—	91	125	51	320	14	32	633
1981	—	95	124	56	277	13	31	596
1982	—	97	120	58	259	14	44	592
1983	—	118	122	52	247	24	46	609
1984	—	115	125	55	395	15	60	765
Soybeans								
1976-80	83	3	—	5	—	239	29	379
1980	94	2	—	20	—	364	17	497
1981	94	2	—	24	—	310	48	478
1982	69	2	—	24	—	269	77	441
1983	64	3	—	30	—	275	107	479
1984	75	3	—	30	—	310	115	533
Tobacco								
1976-80	116	4	3	16	51	48	62	300
1980	108	4	3	14	52	44	57	282
1981	106	4	3	15	49	39	56	272
1982	103	4	3	15	49	35	61	270
1983	108	4	3	13	53	35	60	276
1984	105	4	3	13	50	34	70	279
Corn silage								
1976-80	273	439	372	319	624	172	42	2,241
1980	360	418	365	329	668	44	49	2,233
1981	341	423	366	346	577	53	57	2,163
1982	291	460	374	302	485	286	61	2,259
1983	280	435	375	355	420	200	70	2,135
Hay 3/								
1976-80	453	957	540	656	1,698	942	659	5,905
1980	469	998	604	635	1,692	704	660	5,762
1981	462	1,010	624	599	1,900	782	646	6,023
1982	483	1,004	598	588	1,851	913	623	6,060
1983	490	1,020	600	580	1,835	720	615	5,860
Feed roots								
1976-80	14	21	55	20	258	85	35	488
1980	12	20	40	19	257	76	34	458
1981	11	17	60	19	273	90	34	504
1982	11	23	69	19	288	109	33	552
1983	10	29	60	18	260	95	33	505

— = No information reported, or amount less than 1,000 hectares. () = Estimate.
1/ 1984 data are preliminary and unavailable for corn silage, hay, and feed roots. 2/ Area under socialist cultivation only. 3/ Does not include meadow hay and includes only lucerne, clover, and vetch in Yugoslavia.

BEST COPY AVAILABLE

Table 6--Trade of selected agricultural commodities, Eastern Europe, 1976-80 average and 1981-83 annual

Commodity and country	Imports				Exports			
	1976-80	1981	1982	1983	1976-80	1981	1982	2/ 1983
				1,000 tons				
Oilseeds 1/								
Bulgaria	9	27	--	--	22	13	13	17
Czechoslovakia	135	58	109	(90)	2	2	2	--
GDR	55	50	40	63	21	25	24	16
Hungary	8	11	7	10	86	92	169	91
Poland	143	108	99	192	51	--	--	--
Romania	(251)	(81)	(252)	(333)	4	2	2	2
Yugoslavia	163	275	219	303	16	1	2	3
Total	(764)	(610)	(726)	(991)	202	135	212	129
Vegetable oil, edible								
Bulgaria	1	1	6	3	16	18	26	37
Czechoslovakia	44	53	41	51	1	--	--	--
GDR	113	109	118	107	--	--	--	--
Hungary	14	11	8	16	58	134	198	164
Poland	78	61	125	83	57	6	3	5
Romania	9	16	2	(2)	122	82	107	97
Yugoslavia	52	116	79	170	14	5	5	2
Total	311	367	379	432	268	245	339	305
Meat and meat products 2/								
Bulgaria	9	2	2	6	102	98	108	112
Czechoslovakia	26	21	26	27	32	72	76	39
GDR	24	23	63	112	133	131	126	130
Hungary	13	20	21	17	285	354	416	441
Poland	48	188	93	58	156	82	67	79
Romania 1/	39	71	25	21	187	206	136	110
Yugoslavia	41	40	36	48	94	76	120	119
Total	200	365	266	289	995	1,019	1,049	1,030
Sugar 3/								
Bulgaria	219	283	246	391	2	--	--	--
Czechoslovakia	88	101	129	115	210	215	151	115
GDR	209	277	204	246	82	108	(94)	120
Hungary	84	136	1	1	31	76	42	50
Poland	58	185	73	71	208	14	101	311
Romania	139	211	114	228	72	(34)	(89)	(62)
Yugoslavia	85	179	37	62	78	1	10	17
Total	862	1,372	804	1,114	683	448	(487)	(675)
Tobacco								
Bulgaria	7	14	20	26	69	67	65	63
Czechoslovakia	21	28	19	18	1	--	--	--
GDR	20	18	18	18	2	3	1	1
Hungary	7	8	7	7	1	3	2	4
Poland	12	24	11	14	9	3	5	5
Romania	1	--	2	2	7	4	(4)	(4)
Yugoslavia	4	7	8	8	24	22	25	28
Total	72	99	85	93	113	102	(102)	(105)
Oilseed meal								
Bulgaria	194	230	161	272	--	--	--	--
Czechoslovakia	643	722	767	701	20	2	1	1
GDR	949	1,030	1,273	1,167	6	1	5	13
Hungary	614	599	565	836	(1)	(6)	29	(1)
Poland	1,160	1,348	856	446	(5)	(1)	1	--
Romania	297	651	170	(185)	--	--	--	--
Yugoslavia	172	177	215	188	3	4	1	1
Total	4,029	4,757	4,009	(3,795)	(35)	(14)	37	(16)
Cotton								
Bulgaria	57	56	60	89	--	--	--	--
Czechoslovakia	109	109	126	119	--	--	--	--
GDR	90	86	105	105	--	--	--	--
Hungary	93	95	79	81	--	--	--	--
Poland	163	152	160	129	--	--	--	--
Romania	111	119	135	63	--	--	--	--
Yugoslavia	108	103	108	101	--	--	--	--
Total	731	720	773	687	--	--	--	--
Hides and skins								
Bulgaria	6	7	6	9	--	--	--	--
Czechoslovakia 4/	(50)	(46)	(50)	(137)	--	--	--	--
GDR	17	16	11	12	--	--	--	--
Hungary	31	27	30	32	--	--	--	--
Poland	42	31	50	39	--	--	--	--
Romania	44	50	29	36	--	--	--	--
Yugoslavia	27	29	25	26	--	--	--	--
Total	(217)	(206)	(201)	(291)	--	--	--	--

-- = No information reported, or amount less than 1,000 tons. 1/ Rapeseed, soybeans, and sunflowerseed. 2/ Includes poultry meat. 3/ Raw basis. 4/ Converted from pieces to metric tons at 22 kilograms per piece.

Sources: Statistical yearbooks of respective countries, CEMA Yearbook, FAO Trade Yearbook, statistical yearbooks of trading partners.

BEST COPY AVAILABLE

Table 7--January livestock numbers, Eastern Europe, 1976-80 average and 1981-85 annual 1/

Category and year	Bulgaria	Czecho-slovakia	GDR	Hungary	Poland	Romania	Yugo-slavia	Total Eastern Europe
				1,000 head				
Cattle								
1976-80	1,733	4,754	5,544	1,926	12,339	6,361	5,575	38,232
1981	1,796	5,002	5,723	1,918	11,337	6,485	5,474	37,735
1982	1,807	5,103	5,749	1,945	11,467	6,303	5,464	37,838
1983	1,783	5,131	5,690	1,922	11,022	6,246	5,351	37,145
1984	1,778	5,190	5,768	1,907	11,085	6,752	5,341	37,821
1985	1,755	5,150	5,845	1,910	10,905	(7,040)	5,190	(37,795)
Cows								
1976-80	697	1,902	2,145	773	5,914	2,612	3,181	17,224
1981	702	1,902	2,138	765	5,666	2,670	3,086	16,929
1982	706	1,905	2,122	759	5,706	2,592	3,079	16,869
1983	703	1,899	2,124	751	5,686	2,561	3,050	16,774
1984	695	1,896	2,096	735	5,687	2,583	3,005	16,697
1985	685	1,880	2,080	725	5,610	(2,695)	2,975	(16,650)
Hogs								
1976-80	3,669	7,240	11,683	7,805	20,219	9,997	7,513	68,126
1981	3,808	7,894	12,871	8,330	18,734	11,542	7,867	71,046
1982	3,844	7,302	12,869	8,300	19,081	12,464	8,431	72,291
1983	3,810	7,126	12,107	9,035	17,564	12,644	8,370	70,656
1984	3,769	7,070	13,058	9,844	15,858	14,347	9,337	73,283
1985	3,730	6,745	13,110	9,255	17,190	(14,780)	8,680	(73,490)
Sheep								
1976-80	10,105	837	1,925	2,560	3,452	14,818	7,504	41,201
1981	10,433	910	2,038	3,090	3,490	15,865	7,384	43,210
1982	10,726	959	2,169	3,140	3,510	17,288	7,398	45,190
1983	10,761	990	2,198	3,183	3,678	16,921	7,452	45,183
1984	10,978	1,041	2,359	2,977	3,989	18,451	7,459	47,254
1985	10,500	1,070	2,530	2,950	3,850	(18,695)	7,670	(47,265)
Horses								
1976-80	126	54	67	141	1,970	565	751	3,674
1981	120	45	70	120	1,780	555	573	3,263
1982	119	44	76	112	1,726	598	515	3,190
1983	119	44	81	112	1,624	610	505	3,095
1984	119	45	88	111	1,570	620	463	3,016
1985	120	(45)	(90)	(110)	1,600	(640)	440	(3,045)
Poultry								
1976-80	39,989	44,871	49,102	63,002	86,259	90,858	59,752	433,833
1981	41,636	47,283	51,611	65,042	81,164	97,800	65,690	450,226
1982	40,563	47,388	54,392	67,496	71,281	109,244	67,408	457,772
1983	42,853	49,212	51,356	67,552	67,244	111,047	69,680	458,944
1984	43,078	50,977	53,018	63,276	62,439	119,237	74,011	466,036
1985	42,275	48,520	51,315	(63,280)	68,000	(123,960)	70,750	(468,100)

() = Estimate. 1/ 1985 data are preliminary.

BEST COPY AVAILABLE

Table 8—Production of principal livestock products, Eastern Europe, 1976-80 average and 1980-84 annual 1/

Category and year	Bulgaria	Czecho-slovakia	GDR	Hungary	Poland	Romania	Yugo-slavia	Total Eastern Europe
				1,000 tons				
Beef and veal 2/								
1976-80	143	424	447	203	869	306	362	2,754
1980	154	436	431	203	846	304	360	2,734
1981	150	423	452	196	623	289	356	2,489
1982	162	424	441	207	799	(230)	376	(2,639)
1983	165	435	421	205	779	(260)	373	2,638
1984	165	455	430	195	770	(270)	(380)	(2,665)
Mutton, lamb, and goat meat 2/								
1976-80	99	6	20	15	29	76	60	305
1980	104	6	21	17	31	78	59	316
1981	113	7	19	19	27	64	58	307
1982	111	8	19	19	27	(75)	59	(318)
1983	11	9	16	7	27	(75)	62	(320)
1984	(115)	(10)	21	14	25	(75)	(60)	(320)
Pork 2/, 3/								
1976-80	349	803	1,198	922	1,728	876	720	6,596
1980	372	851	1,285	986	1,768	977	738	6,977
1981	380	888	1,358	991	1,384	1,008	773	6,782
1982	378	772	1,21.	1,040	1,512	(890)	775	(6,578)
1983	394	831	1,264	1,146	1,441	(950)	771	(6,797)
1984	(400)	850	1,360	1,205	1,275	(980)	(830)	(6,900)
Poultry meat 2/								
1976-80	149	159	137	328	374	363	250	1,760
1980	145	172	145	355	441	406	299	1,963
1981	147	170	149	367	455	422	286	1,996
1982	153	170	147	419	197	(440)	282	(1,808)
1983	161	167	153	415	198	(465)	287	(1,846)
1984	165	170	175	415	275	(485)	(300)	(1,985)
Total meat 2,4/								
1976-80	745	1,423	1,821	1,472	3,064	1,623	1,398	11,546
1980	781	1,499	1,899	1,566	3,141	1,769	1,442	12,097
1981	794	1,526	1,997	1,578	2,526	1,786	1,486	11,693
1982	807	1,413	1,835	1,691	2,580	(1,640)	1,504	(11,470)
1983	837	1,487	1,873	1,789	2,500	(1,755)	1,493	(11,734)
1984	(855)	(1,525)	(2,005)	(1,835)	2,385	(1,815)	(1,580)	(12,000)
Milk 5/								
1976-80	1,653	5,629	8,155	2,283	16,805	4,164	4,136	42,825
1980	1,830	5,909	8,321	2,548	16,494	4,148	4,342	43,592
1981	1,900	5,918	8,202	2,680	15,341	3,601	4,484	42,126
1982	2,000	5,931	7,678	2,741	15,293	3,365	4,602	41,610
1983	(2,091)	6,495	8,203	2,809	16,097	3,630	4,610	(43,935)
1984	(2,115)	(6,775)	8,720	(2,865)	16,740	(3,710)	(4,705)	(45,630)
				Million pieces				
Eggs								
1976-80	2,163	4,690	5,287	4,475	8,523	6,583	4,117	35,838
1980	2,434	4,900	5,514	4,385	8,902	6,727	4,394	37,256
1981	2,431	4,968	5,670	4,394	8,816	7,017	4,427	37,723
1982	2,459	5,030	5,696	4,361	7,633	7,155	4,612	36,946
1983	2,639	5,232	5,850	4,481	7,642	7,465	4,567	37,876
1984	2,705	(5,505)	(5,780)	4,255	8,025	(7,525)	(4,785)	(38,580)

() = Estimate. 1/ 1984 data are preliminary. 2/ Data include offal and edible slaughter fat, and live animal exports for slaughter. CEMA data except for Yugoslavia. 3/ Yugoslav series revised to omit double counting of some offals. 4/ Data include horse and rabbit meat. 5/ Data include only cow milk for consumption in Romania, Yugoslavia, and Hungary. Data in the remaining countries include milk sucked by calves. In the GDR, milk production is given in 3.5 percent fat equivalent.

BEST COPY AVAILABLE

Table 9—Per capita consumption of selected foods, Eastern Europe, 1975 and 1980-84 1/

Commodity and year	Bulgaria	Czecho-slovakia	GDR	Hungary	Poland	Romania	Yugo-slavia
			Kilograms				
Total meat							
1975	58.0	81.1	77.8	68.5	70.3	45.7	48.3
1980	61.2	85.6	89.5	71.7	74.0	60.0	54.2
1981	66.6	86.6	90.7	73.0	65.0	—	54.9
1982	68.3	79.5	91.0	74.5	58.5	4/ 65.0	52.4
1983	(69.4)	83.3	92.1	75.6	58.3	4/ (58.0)	(53.0)
1984	3/ 71.0	(85.0)	(95.0)	(76.5)	(58.3)	4/ (58.0)	(55.0)
Eggs 5/							
1975	146	297	269	274	209	214	166
1980	204	316	289	317	222	270	190
1981	209	321	288	314	227	—	183
1982	220	324	301	307	200	270	187
1983	231	328	301	320	(200)	(270)	—
1984	3/ 237	(330)	(301)	(324)	(200)	(270)	—
Vegetable oil							
1975	14.1	6.7	2.0	2.9	6.5	—	10.6
1980	14.8	7.2	1.6	4.2	7.0	—	11.3
1981	14.9	7.3	1.6	4.4	7.0	—	12.1
1982	15.0	7.6	1.8	4.8	5.9	—	12.3
1983	3/ (14.8)	7.9	1.7	8.0	6.6	—	—
Sugar							
1975	32.5	38.0	36.8	39.4	43.2	20.3	32.8
1980	34.7	37.5	40.6	37.9	41.4	28.2	36.6
1981	35.1	36.9	40.8	35.5	33.4	—	36.1
1982	35.1	39.6	41.9	38.0	41.7	—	34.1
1983	35.4	37.5	39.2	36.0	45.5	—	—
Grain, in flour equivalent							
1975	162	108	95	122	120	189	183
1980	160	107	95	115	127	172	178
1981	159	109	95	113	128	180	179
1982	159	110	97	113	124	173	173
1983	(158)	108	97	112	122	(173)	—
Vegetables							
1975	127	74	90	85	109	113	87
1980	125	66	94	80	101	140	97
1981	135	66	93	77	118	—	98
1982	147	75	96	76	107	170	96
1983	(152)	71	91	(77)	103	(170)	—
Potatoes							
1975	23	96	142	67	173	96	66
1980	27	76	143	61	158	71	61
1981	30	79	140	59	157	—	59
1982	31	79	145	57	159	100	61
1983	(31)	79	144	60	154	(100)	—

— = No information reported. ( ) = Estimate. 1/ 1984 data are preliminary and listed if available. 2/ Revista Economica, Dec. 29, 1978; Lumea, Oct. 30, 1981; Bucharest Domestic Service, Nov. 1, 1981; Scinteia, Nov. 29, 1981; unpublished official statistics. 3/ Rabotnichesko Delo, Jan. 30, 1985. 4/ Includes fish. 5/ Numbers.

BEST COPY AVAILABLE

Table 10--Total and agricultural trade, Eastern Europe, 1980-84 1/

Category and year	Bulgaria	Czecho-slovakia	GDR	Hungary	Poland	Romania	Yugo-slavia	Total Eastern Europe
				Million dollars				
Exports 2/								
1980	10,372	14,891	17,312	8,877	16,997	11,024	9,077	88,550
1981	10,748	14,876	18,967	8,894	13,249	12,367	10,363	89,464
1982	11,288	15,637	21,743	9,057	11,208	11,559	10,400	90,952
1983	11,675	16,505	23,793	8,880	11,170	11,512	9,913	93,448
1984	(12,130)	(18,155)	(25,596)	(9,500)	(12,175)	(13,411)	10,268	(101,235)
Imports 2/								
1980	9,650	15,148	19,082	9,020	19,089	12,685	15,064	99,738
1981	10,854	14,658	20,059	8,855	15,476	12,264	15,757	97,923
1982	11,413	15,403	20,196	8,579	10,248	9,745	13,334	88,918
1983	12,041	15,800	21,524	8,452	10,171	9,643	12,154	89,785
1984	(12,000)	(17,443)	(23,347)	(8,500)	(11,086)	(10,596)	12,040	(95,012)
Balance								
1980	722	-257	-1,770	-143	-2,092	-1,661	-5,987	-11,188
1981	-106	218	-1,092	39	-2,227	103	-5,394	-8,459
1982	-125	234	1,547	478	960	1,814	-2,874	2,034
1983	-366	705	2,269	428	999	1,869	-2,241	3,663
1984	130	712	2,249	1,000	1,089	2,815	-1,772	6,223
Agricultural exports 3/								
1980	1,436	688	554	1,990	1,107	1,374	1,074	8,223
1981	1,162	614	594	2,249	632	1,415	1,093	7,759
1982	1,295	684	477	2,233	766	1,135	1,232	7,822
1983	1,241	540	374	2,032	801	830	1,114	6,932
Agricultural imports 3/								
1980	616	2,093	2,484	1,100	3,098	1,393	1,641	12,425
1981	730	1,904	2,174	1,044	3,065	1,493	1,477	11,887
1982	500	1,890	2,120	730	2,161	911	1,316	9,628
1983	712	1,775	2,066	790	1,334	889	1,117	8,683
Agricultural trade balance								
1980	820	-1,405	-1,930	890	-1,991	-19	-567	-4,202
1981	432	-1,290	-1,580	1,205	-2,433	-78	-384	-4,128
1982	795	-1,206	-1,643	1,503	-1,395	224	-84	-1,806
1983	529	-1,235	-1,692	1,242	-533	-59	-3	-1,751

()= Estimate. 1/ 1984 data are preliminary and unavailable for agricultural trade. 2/ United Nations data. 3/ FAO data.

 BEST COPY AVAILABLE

Table 11--U.S. total and agricultural trade with Eastern Europe, 1980-84

Category and year	Bulgaria	Czecho-slovakia	GDR	Hungary	Poland	Romania	Yugo-slavia	Total Eastern Europe
				Million dollars				
Total exports								
1980	172.2	236.1	558.8	88.2	761.4	748.5	768.3	3,333.5
1981	264.4	97.2	344.4	77.5	684.1	548.8	657.0	2,673.4
1982	106.6	111.7	236.6	67.8	294.1	223.3	554.6	1,594.7
1983	65.4	72.4	147.5	109.8	320.4	185.7	603.9	1,505.1
1984	44.1	58.1	135.8	85.2	314.8	246.2	429.9	1,314.1
Total imports								
1980	24.9	55.9	43.4	107.5	418.4	312.2	446.3	1,418.6
1981	25.6	67.2	44.7	127.9	359.9	559.4	445.5	1,630.2
1982	25.1	61.5	51.8	133.2	212.9	339.1	355.9	1,179.5
1983	32.8	62.8	56.9	154.5	190.6	512.8	366.5	1,376.9
1984	28.7	86.2	148.9	220.9	220.1	892.5	477.8	2,075.1
Balance								
1980	147.3	170.2	515.4	-19.3	343.0	436.3	322.0	1,914.9
1981	238.8	30.0	299.7	-50.4	324.2	-10.6	211.5	1,043.2
1982	81.5	50.2	184.8	-65.4	81.2	-115.8	198.7	415.2
1983	32.6	9.6	90.6	-44.7	129.8	-327.1	237.4	128.2
1984	15.4	-28.1	-13.1	-135.7	94.7	-646.3	-47.9	-761.0
Total agricultural exports								
1980	138.9	205.5	534.3	33.6	622.4	490.9	293.2	2,318.8
1981	203.6	73.0	333.0	12.9	596.4	413.3	148.8	1,781.0
1982	64.1	90.2	217.8	7.1	181.8	133.6	182.0	876.6
1983	37.1	36.5	139.5	58.1	205.5	118.1	304.2	899.0
1984	17.0	28.4	129.2	42.6	194.2	157.1	188.9	757.4
Direct agricultural exports								
1980	127.3	154.6	453.3	24.4	571.5	462.6	277.5	2,071.2
1981	197.3	58.2	284.2	12.9	592.9	368.4	137.9	1,651.8
1982	64.0	62.1	203.9	7.1	180.3	133.6	182.0	833.0
1983	37.1	21.2	130.9	58.1	205.0	118.1	268.1	838.5
1984	17.0	28.4	129.2	42.6	194.2	157.1	188.9	757.4
Transshipments 1/								
1980	11.6	50.9	81.0	9.2	50.9	28.3	15.7	247.6
1981	6.3	14.8	48.8	0.0	3.5	44.9	10.9	129.2
1982	0.1	28.1	13.9	0.0	1.5	0.0	0.0	43.6
1983	0.0	15.3	8.6	0.0	0.5	0.0	36.1	60.5
Total agricultural imports								
1980	17.4	10.4	2.8	30.6	155.7	30.5	63.6	311.0
1981	21.5	12.1	0.9	33.7	109.1	28.0	71.7	277.0
1982	21.7	13.5	2.5	33.1	69.3	18.7	69.0	227.8
1983	30.6	7.7	2.0	43.3	105.1	19.5	56.3	264.5
1984	23.0	10.1	1.2	46.3	94.2	20.0	65.3	260.1
Balance								
1980	121.5	195.1	531.5	3.0	466.7	460.4	229.6	2,007.8
1981	182.1	60.9	332.1	-20.8	487.3	385.3	77.1	1,504.0
1982	42.4	76.7	215.3	-26.0	112.5	114.9	113.0	648.8
1983	6.5	28.8	137.5	14.8	100.4	98.6	247.9	634.5
1984	-6.0	18.3	128.0	-3.7	100.0	137.1	123.6	497.3

1/ Estimated shipments through Belgium, Canada, the Federal Republic of Germany, and the Netherlands for 1980 through 1983. Beginning in 1984, transshipments are no longer being calculated, because of their decline in value and the difficulty in obtaining data. Total exports are therefore assumed to be equal to direct exports.

Sources: Bureau of the Census, Dept. of Commerce; U.S. Export Sales, FAS/USDA.

BEST COPY AVAILABLE

Table 12--Volume and value of U.S. agricultural exports to Eastern Europe, 1/ 1976-80 average and 1982-84 annual

Commodity and country	Volume				Value			
	1976-80	1982	1983	2/ 1984	1976-80	1982	1983	2/ 1984
	1,000 tons				Million dollars			
Total grain								
Bulgaria	230	279	102	44	27.8	32.0	13.8	6.4
Czechoslovakia	723	435	54	—	97.2	57.3	6.9	—
GDR	2,074	1,504	891	784	265.9	176.2	112.3	103.0
Hungary	44	—	25	—	5.2	—	—	—
Poland	2,769	437	248	289	330.5	45.3	39.2	44.3
Romania	864	236	—	—	107.1	29.3	—	—
Yugoslavia	522	609	311	32	73.0	78.9	42.2	3.6
Total	7,226	3,500	1,631	1,149	906.7	419.0	214.4	157.3
Wheat								
Bulgaria	—	—	—	—	—	—	—	—
Czechoslovakia	165	—	—	—	28.9	—	—	—
GDR	294	108	—	—	45.7	16.6	—	—
Hungary	—	—	—	—	—	—	—	—
Poland	617	—	74	116	83.1	—	11.9	18.8
Romania	244	—	—	—	33.9	—	—	—
Yugoslavia	250	226	311	—	41.9	33.5	42.2	—
Total	1,570	334	385	116	233.5	50.1	54.1	18.8
Corn								
Bulgaria	240	279	102	44	27.8	32.0	13.8	6.4
Czechoslovakia	549	435	54	—	67.0	57.3	6.9	—
GDR	1,650	1,396	766	606	207.0	159.6	96.7	80.9
Hungary	21	—	—	—	2.4	—	—	—
Poland	1,840	437	162	173	212.1	45.3	22.1	25.5
Romania	544	236	—	—	66.1	29.3	—	—
Yugoslavia	254	383	—	—	29.4	45.4	—	—
Total	5,098	3,166	1,084	823	611.8	368.9	139.5	112.8
Soybeans								
Bulgaria	—	—	—	23	—	—	—	6.9
Czechoslovakia	6	13	—	—	4.4	3.1	—	—
GDR	5	—	—	12	1.2	—	—	3.6
Hungary	—	—	—	—	—	—	—	—
Poland	134	100	193	74	35.6	22.4	48.7	20.5
Romania	222	244	305	369	54.9	60.7	76.4	112.5
Yugoslavia	155	189	222	302	42.2	44.9	55.7	84.8
Total	522	546	720	780	138.3	131.1	180.8	228.3
Vegetable oil								
Bulgaria	—	—	—	—	—	—	—	—
Czechoslovakia	—	—	—	—	—	—	—	—
GDR	1	—	—	—	1	—	—	—
Hungary	—	—	—	—	—	—	—	—
Poland	15	12	11	8	8.8	8.8	8.1	7.8
Romania	—	—	—	—	—	—	—	—
Yugoslavia	4	16	132	—	2.4	8.4	54.7	—
Total	20	28	143	8	12.2	17.2	62.8	7.8
Soybean meal and cake								
Bulgaria	73	107	35	—	16.9	23.4	8.6	—
Czechoslovakia	281	85	76	—	56.7	18.8	15.3	—
GDR	345	172	79	—	75.7	39.0	17.4	—
Hungary	95	—	209	141	22.8	—	50.8	30.5
Poland	356	7	155	210	76.1	1.4	37.9	45.9
Romania	158	57	—	—	36.0	14.3	—	—
Yugoslavia	133	96	201	59	27.8	21.6	44.7	11.1
Total	1,441	524	755	410	312.0	118.5	174.7	87.5

Continued--

BEST COPY AVAILABLE

Table 12--Volume and value of U.S. agricultural exports to Eastern Europe, 1/ 1976-80 average and 1982-84 annual, continued

Commodity and country	Volume				Value			
	1976-80	1982	1983	2/ 1984	1976-80	1982	1983	2/ 1984
	1,000 tons				Million dollars			
Cotton								
Bulgaria	—	—	—	—	—	—	—	—
Czechoslovakia	—	—	—	—	—	—	—	—
GDR	—	2	—	—	—	—	—	—
Hungary	—	—	—	—	—	—	—	0.3
Poland	8	—	—	-	12.3	—	—	—
Romania	10	—	—	—	15.4	—	—	—
Yugoslavia	—	—	47	19	—	—	82.6	36.2
Total	18	2	47	19	27.7	—	82.6	36.5
Cattle hides 3/								
Bulgaria	41	—	—	64	1.1	—	0.8	2.8
Czechoslovakia	589	415	484	670	15.2	10.1	13.5	25.5
GDR	33	—	—	—	0.7	—	0.2	0.2
Hungary	183	102	89	152	3.9	2.3	2.8	6.6
Poland	441	791	293	320	12.6	21.9	7.3	12.3
Romania	1,486	939	1,319	1,032	38.8	27.2	40.8	41.5
Yugoslavia	461	298	306	676	9.9	9.9	11.4	33.1
Total	3,234	2,545	2,491	2,914	82.2	71.4	76.8	122.0
Other								
Bulgaria	—	—	—	—	4.9	8.7	13.9	0.9
Czechoslovakia	—	—	—	—	10.3	0.9	0.8	2.9
GDR	—	—	—	—	3.5	2.6	9.6	4/22.4
Hungary	—	—	—	—	4.6	4.8	4.5	5.2
Poland	—	—	—	—	42.6	82.0	64.3	63.4
Romania	—	—	—	—	5.8	2.1	0.9	3.1
Yugoslavia	—	—	—	—	26.6	18.3	12.9	20.1
Total	—	—	—	—	9C.3	119.4	106.9	118.0
Total								
Bulgaria	—	—	—	—	50.7	64.1	37.1	17.0
Czechoslovakia	—	—	—	—	183.8	90.2	36.5	28.4
GDR	—	—	—	—	348.0	217.8	139.5	129.2
Hungary	—	—	—	—	36.5	7.1	58.1	42.5
Poland	—	—	—	—	518.5	181.8	205.5	194.2
Romania	—	—	—	—	258.0	133.6	118.1	157.1
Yugoslavia	—	—	—	—	181.9	182.0	304.2	188.9
Total	—	—	—	—	1,577.4	876.6	899.0	757.4

— = Amount less than 1,000 tons, $1 million, or not applicable. 1/ Including estimated transshipments through Belgium, Canada, the Federal Republic of Germany, and the Netherlands. 2/ Beginning in 1984, transshipments are no longer being calculated, because of their decline in value and the difficulty in obtaining data. 3/ 1,000 pieces.

BEST COPY AVAILABLE

Table 13--Volume and value of U.S. agricultural imports from Eastern Europe, 1976-80 average and 1981-84 annual

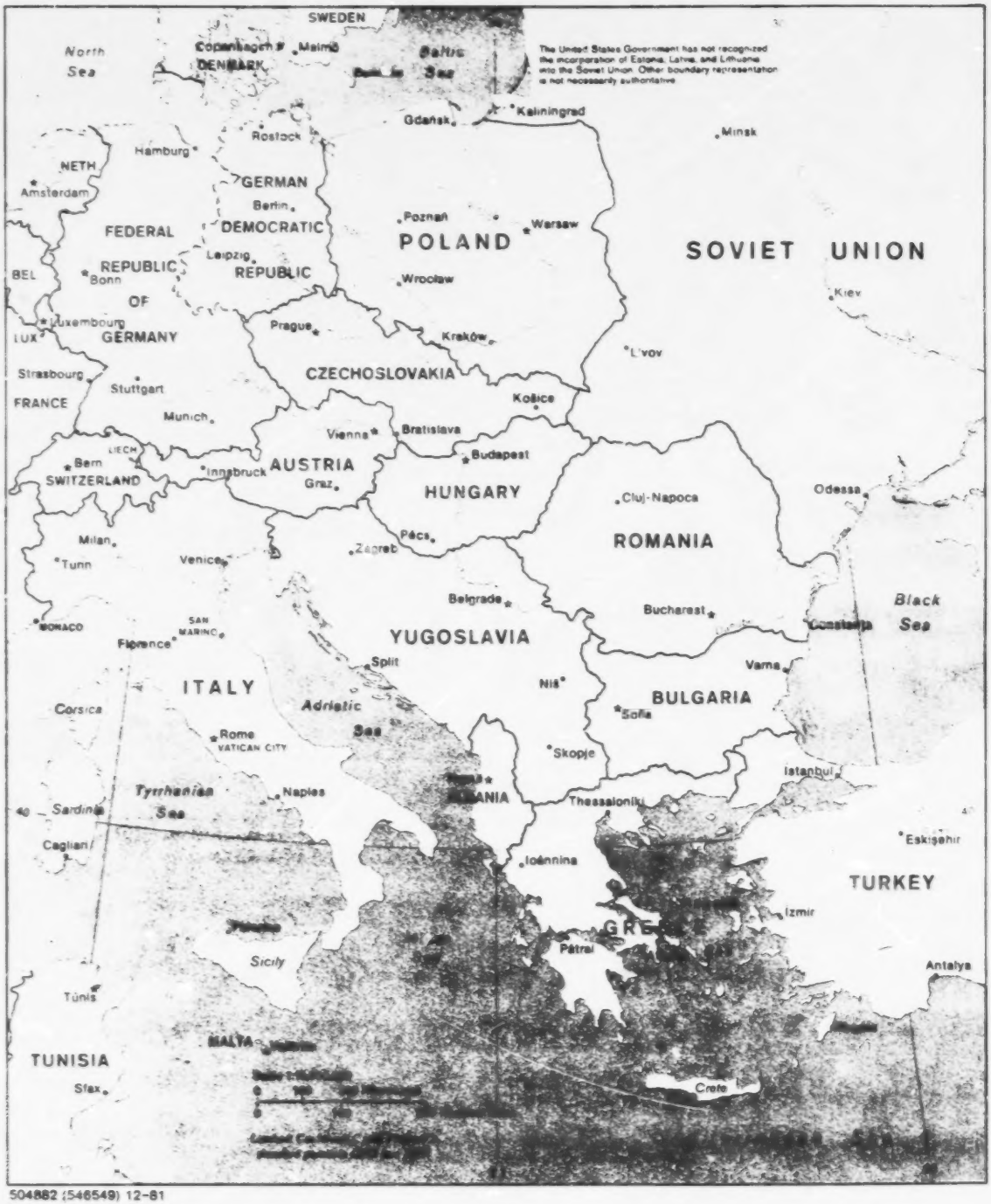
Commodity and country	1976-80	1981	1982	1983	1984
			1,000 tons		
Processed meat					
Bulgaria	--	--	--	--	--
Czechoslovakia	1.1	1.6	1.6	0.6	0.8
GDR	--	--	--	--	--
Hungary	7.6	7.4	6.8	11.0	13.4
Poland	39.4	26.1	15.9	27.4	26.2
Romania	6.9	6.4	3.3	4.4	3.2
Yugoslavia	14.6	9.9	11.8	9.9	14.1
Total	69.6	51.4	39.4	53.3	57.7
			Million dollars		
Processed meat					
Bulgaria	--	0.1	--	--	--
Czechoslovakia	3.4	4.7	5.2	2.0	1.8
GDR	0.1	--	--	--	--
Hungary	23.7	25.3	24.0	32.6	33.8
Poland	131.3	90.0	58.2	86.8	78.1
Romania	18.9	17.0	8.3	9.7	6.3
Yugoslavia	47.2	33.8	41.8	28.0	30.5
Total	224.6	171.0	137.5	159.1	150.5
Other products					
Bulgaria	19.9	21.4	21.7	30.6	23.0
Czechoslovakia	3.3	7.4	8.3	5.7	8.3
GDR	2.0	0.9	2.5	2.0	1.2
Hungary	5.2	8.3	9.1	10.7	12.5
Poland	17.5	19.1	11.1	18.3	16.1
Romania	7.6	11.0	10.4	9.8	13.7
Yugoslavia	38.0	37.9	27.2	28.3	34.8
Total	93.5	106.0	90.3	105.4	109.6
Total					
Bulgaria	19.9	21.5	21.7	30.6	23.0
Czechoslovakia	6.7	12.1	13.5	7.7	10.1
GDR	2.1	0.9	2.5	2.0	1.2
Hungary	28.9	33.7	33.1	43.3	46.3
Poland	148.8	109.1	69.3	105.1	94.2
Romania	26.5	28.0	18.7	19.5	20.0
Yugoslavia	85.2	71.7	69.0	56.3	65.3
Total	318.2	277.0	227.8	264.5	260.1

-- = Amount less than 1,000 tons, $1 million, or not applicable.

Sources: Bureau of the Census, U.S. Dept. of Commerce.

BEST COPY AVAILABLE

Eastern Europe



504882 (546549) 12-81

BEST COPY AVAILABLE